



(Please scan this QR code to view the Prospectus)

PROSPECTUS

Dated: August 22, 2024

(Please read section 26 and 32 of the Companies Act, 2013)

100% Book Built Issue



FORCAS STUDIO LIMITED

Corporate Identification Number: U14101WB2024PLC267500

| REGISTERED OFFICE | TELEPHONE, EMAIL AND FACSIMILE | CONTACT PERSON | WEBSITE |
|--|--|--|--------------------|
| Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola - 700 141, West Bengal, India. | Tel: +91 332 950 1056 Email: info@forcasstudio.in Facsimile: N.A. | Sangita Kumari Agarwal, Company Secretary and Compliance Officer | www.focasstudio.in |

**PROMOTERS OF OUR COMPANY: SAILESH AGARWAL AND SOURAV AGARWAL
DETAILS OF THE ISSUE**

| TYPE | FRESH ISSUE SIZE | OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹) | TOTAL ISSUE SIZE | ELIGIBILITY |
|-------------|--|---|--|--|
| Fresh Issue | 46,80,000 Equity Shares aggregating ₹ 3,744.00 lakhs *subject to finalization of Allotment | - | 46,80,000 Equity Shares aggregating ₹ 3,744.00 lakhs *subject to finalization of Allotment | This issue was being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. |

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES
RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price were determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under “Basis for Issue Price” on page 84 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy this Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 25 of this Prospectus.


ISSUER’S ABSOLUTE RESPONSIBILITY


Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated July 31, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange was NSE.

BOOK RUNNING LEAD MANAGER

| NAME AND LOGO | CONTACT PERSON | EMAIL & TELEPHONE |
|--|------------------|--|
|  HORIZON MANAGEMENT PRIVATE LIMITED | Mr. Manav Goenka | Telephone: +91 33 4600 0607 Email ID: smeipo@horizon.net.co |

| REGISTRAR TO THE ISSUE | | |
|--|---|--|
| NAME AND LOGO | CONTACT PERSON | EMAIL & TELEPHONE |
|  MAS SERVICES LIMITED | Mr. N. C. Pal | Telephone: +91 112 638 7281/83, 114 132 0335 E-mail: ipo@masserv.com |
| BID/ ISSUE PERIOD | | |
| ANCHOR PORTION ISSUE OPENED/CLOSED ON: FRIDAY, AUGUST 16, 2024* | BID/ISSUE OPENED ON: MONDAY, AUGUST 19, 2024 | BID/ISSUE CLOSED ON: WEDNESDAY, AUGUST 21, 2024^ |

* The Anchor Investor Bid/ Issue Period was one Working Day prior to the Bid/Issue Opening Date.

^ UPI mandate end time and date were at 5:00 pm on the Bid/Issue Closing Date.



FORCAS STUDIO LIMITED

Forcas Studio Limited (our “Company” or the “Issuer”) was originally formed as a partnership firm under the name and style of ‘M/s. Forcas Apparels’ pursuant to a deed of partnership dated April 9, 2010. Subsequently, pursuant to a resolution dated October 3, 2023 passed at the meeting of partners of M/s. Forcas Apparels, the partnership firm was converted into a private limited company under the Companies Act, 2013 under the name and style of ‘Forcas Studio Private Limited’ and a certificate of incorporation dated January 12, 2024 was issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on February 20, 2024, and by the Shareholders at an Extra-Ordinary General Meeting held on February 23, 2024, our Company was converted into a public limited company and consequently the name of our Company was changed to ‘Forcas Studio Limited’ and a fresh certificate of incorporation dated April 5, 2024 was issued by Registrar of Companies, Central Processing Centre.

Registered Office: Tara Maa Tower, B3-71C/161 BBT Road, Vivekanandapur, South 24 Parganas, Thakurpur Mahestola - 700 142, West Bengal, India; **Telephone:** +91 332 950 1056;

E-mail: info@forcasstudio.in; **Facsimile:** N.A.; **Website:** www.focasstudio.in; **Contact Person:** Sangita Kumari Agarwal, Company Secretary and Compliance Officer;

Corporate Identity Number: U14101WB2024PLC267500

PROMOTERS OF OUR COMPANY: SAILESH AGARWAL AND SOURAV AGARWAL

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF 46,80,000* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF OUR COMPANY AT AN ISSUE PRICE OF ₹ 80 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 70 PER EQUITY SHARE) FOR CASH, AGGREGATING TO ₹ 3,744.00 LACS* (“PUBLIC ISSUE”) OUT OF WHICH 2,35,200 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ 80 PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 188.16 LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 44,44,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ 80 PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹ 3,555.84 LACS IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.62% AND 25.28% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹10/- EACH THE OFFER PRICE IS 8 TIMES THE FACE VALUE OF THE EQUITY SHARES.

**Subject to finalization of Allotment*

This Issue was being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 (2) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 49.96% of the Net Issue was made available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), our Company, in consultation with the Book Running Lead Manager, allocated 59.94% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.03% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.01% of the Net Issue was made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.03% of the Net Issue was made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts were blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” on page 236 of this Prospectus.

All potential investors participated in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which were blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 236 of this Prospectus. A copy of the Red Herring Prospectus and Prospectus have been delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on Page No. 236 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is Rs. 10/-. The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer nor regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 25 of this Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated July 31, 2024 from NSE for using its name in this offer document for listing our shares on NSE. For the purpose of this Issue, the Designated Stock Exchange was NSE.

BOOK RUNNING LEAD MANAGER

REGISTRAR TO THE ISSUE



Horizon Management Private Limited
 19 R N Mukherjee Road, Main Building,
 2nd Floor, Kolkata- 700 001, West Bengal, India.
Telephone: +91 33 4600 0607
Facsimile: +91 33 4600 0607
Email ID: smeipo@horizon.net.co
Website: www.horizonmanagement.in
Investor Grievance ID: investor.relations@horizon.net.co
Contact Person: Manav Goenka
SEBI Registration Number: INM000012926

MAS Services Limited
 T-34, 2nd Floor, Okhla Industrial Area,
 Phase-II New Delhi- 110 020,
 Delhi, India.
Telephone: +91 112 638 7281/83, 114 132 0335
Facsimile: +91 112 638 7384
E-mail: ipo@masserv.com
Investor grievance: investor@masserv.com
SEBI Registration No.: INR000000049
Contact Person: N. C. Pal

ISSUE PROGRAMME

| | | |
|--|---|---|
| ANCHOR PORTION ISSUE OPENED/CLOSED ON*: FRIDAY, AUGUST 16, 2024 | BID/ISSUE OPENED ON: MONDAY, AUGUST 19, 2024 | BID/ISSUE CLOSED ON^: WEDNESDAY, AUGUST 21, 2024 |
|--|---|---|

* The Anchor Investor Bid/Issue Period was one Working Day prior to the Bid/Issue Opening Date.

^ UPI mandate end time and date were at 5:00 pm on the Bid/Issue Closing Date.

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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF
CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018)***

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same 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 and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this 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.

GENERAL AND COMPANY RELATED TERMS

| Term | Description |
|--|--|
| “Company”, “our Company”, “the Company”, “the Issuer”, or “Forcas” | Forcas Studio Limited, a company incorporated under the Companies Act, 2013, having its Registered Office at Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola -700 141, West Bengal, India. |
| Our Promoters | Promoters of our Company, namely Sailesh Agarwal and Sourav Agarwal. For further details, please see the section entitled “ <i>Our Promoters and Promoter Group</i> ” on page 153 of this Prospectus. |
| Promoter Group | Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoters and Promoter’s Group</i> ”. |

COMPANY RELATED TERMS

| Term | Description |
|--|---|
| Articles / Articles of Association/AOA | Articles of Association of our Company. |
| Audit Committee | The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 141 of this Prospectus. |
| Auditor / Statutory Auditor/ Peer Review Auditor | Statutory and peer review auditor of our Company, namely, Agarwal Khetan & Co. , Chartered Accountants |
| Banker(s) to the Company | Banker(s) to our Company, namely ICICI Bank Limited and the Hong Kong and Shanghai Banking Corporation Limited. |
| Board of Directors / Board/BOD | The Board of Directors of the Company unless otherwise specified. |
| Companies Act | The Companies Act, 1956/2013 as amended from time to time. |
| CIN | Corporate Identification Number of our Company i.e. U14101WB2024PLC267500 |
| Chief Financial Officer (CFO) | The Chief Financial officer of our Company, being Sourav Agarwal |
| Company Secretary and Compliance Officer (CS) | The Company Secretary and Compliance Officer of our Company, being Sangita Kumari Agarwal |
| Depositories Act | The Depositories Act, 1996, as amended from time to time |
| DIN | Director Identification Number |
| 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 |
| ED | Executive Director |
| Group Companies | Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy. |
| Independent Director | A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Altab Uddin Kazi, Hitu Gambhir Mahajan and Amit Rathi are the Independent Directors of our Company |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| ISIN | INE0U2501017 |

| Term | Description |
|--|---|
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management</i> ” on page 141 of this Prospectus. |
| Materiality Policy | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on April 6, 2024 in accordance with the requirements of the SEBI ICDR Regulations. |
| MD | The Managing Director of our Company, namely Sailesh Agarwal |
| MOA/ Memorandum / Memorandum of Association | Memorandum of Association of our Company as amended from time to time |
| Non-Residents | A person resident outside India, as defined under FEMA |
| Nomination and Remuneration Committee | The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 141 of this Prospectus. |
| Non-Executive Director | A Director not being an Executive Director or an Independent Director. |
| NRIs / Non Resident Indians | A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000. |
| Registered Office | The registered office of our Company situated at Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola -700 141, West Bengal, India. |
| Restated Financial Information/ Restated Financial Statements/ | The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at February 29, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period ended February 29, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 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. |
| ROC / Registrar of Companies | Registrar of Companies, West Bengal at Kolkata, having its office at Nizam Palace, 2 nd MSO Building, 2 nd Floor, 234/4, A.J.C.B. Road, Kolkata- 700 020, West Bengal, India. |
| “Senior Management” | Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” on page 141 of this Prospectus. |
| Shareholders | Shareholders of our Company, from time to time. |
| Stakeholders Relationship Committee | The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 141 of this Prospectus. |
| WTD | Whole-Time Director and Chief Financial Officer of our Company, namely Sourav Agarwal |

ISSUE RELATED TERMS

| Terms | Description |
|----------------------------------|---|
| Abridged Prospectus | Abridged Prospectus means a memorandum containing such salient features of the Red Herring Prospectus as may be specified by SEBI in this behalf |
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application |
| Allotment | Issue of the Equity Shares pursuant to the Issue to the successful applicants |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges |
| Allotment/Allot/Allotted | Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders. |
| Allottee (s) | The successful applicant to whom the Equity Shares are being / have been issued |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs. |
| Anchor Investor Allocation Price | ₹ 80/- per equity share i.e. the price at which Equity Shares were made available for allocation to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which was decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period. |

| Terms | Description |
|--|--|
| Anchor Investor Application Form | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| Anchor Investor Bid/ Issue Period | Friday, August 16, 2024, being one working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed. |
| Anchor Investor Issue Price | ₹80/- per equity share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus. |
| Anchor Investor Portion | Up to 59.94% of the QIB Portion consisting of 13,31,200 Equity Shares which were allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB. |
| Application Form | The Form in terms of which the applicant applied for the Equity Shares of our Company. |
| ASBA Account | An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form. |
| ASBA Bid | A Bid made by ASBA Bidder |
| Bankers to the Issue | Banker to the Issue, Public Issue Bank, Refund Bank and Sponsor Bank, being Axis Bank Limited |
| Basis of Allotment | The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <i>Basis of allotment</i> ” under chapter titled “ <i>Issue Procedure</i> ” starting from page no. 236 of this Prospectus. |
| Bid | An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly. |
| Bid Amount | The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus. |
| Bid cum Application Form | The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus. |
| Bid Lot | 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter |
| Bid/ Issue Period | The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders could submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus and this Prospectus. |
| Bid/Issue Closing Date | Except in relation to Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being Wednesday, August 21, 2024, which was published in all editions of Business Standard (a widely circulated English national daily newspaper), all editions of Business Standard (a widely circulated Hindi national daily newspaper) and Sukhabar, a Bengali language newspaper (a Bengali language newspaper, Bengali being the regional language of West Bengal, where our Registered Office is located). |
| Bid/Issue Opening Date | Except in relation to Anchor Investors, the date on which the Designated Intermediaries started accepting Bids, being Monday, August 19, 2024, which was published in all editions of Business Standard (a widely circulated English national daily newspaper), and all editions of Business Standard (a widely circulated Hindi national daily newspaper) and Sukhabar, a Bengali language newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located). |
| Bidder/ Investor | Any prospective investor who made a bid for Equity Shares in terms of the Red Herring Prospectus. |
| Bidding Centers | Centers at which the Designated Intermediaries accepted the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. |

| Terms | Description |
|---|---|
| Bidding Centers | Centers at which the Designated Intermediaries accepted the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. |
| Book Building Process | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue was made. |
| BRLM / Book Running Lead Manager | Book Running Lead Manager to the Issue, in this case being Horizon Management Private Limited , SEBI Registered Category I Merchant Banker. |
| Broker Centers | Broker centers notified by the Stock Exchanges where investors could submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange. |
| Cap Price | The higher end of the Price Band being ₹ 80, above which the Issue Price was not be finalized and above which no Bids were accepted. |
| Cut-Off Price | The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price. |
| 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 bids 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 BRLM, 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 applicant father/husband, investor status, and occupation and Bank Account details. |
| Depository | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| Designated Intermediaries/ Collecting Agent | The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue. |
| Designated CDP Locations | Such locations of the CDPs where bidder could submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com |
| Designated Date | The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus and this Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue. |
| Designated RTA Locations | Such locations of the RTAs where bidder could submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com |
| Designated SCSB Branches | Such branches of the SCSBs which collected the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) |
| DP ID | Depository Participant’s Identity Number |
| Draft Red Herring Prospectus | Draft Red Herring Prospectus dated June 1, 2024, filed with NSE Emerge in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations. |
| Electronic Transfer of Funds | Refunds through ECS, NEFT, Direct Credit or RTGS as applicable. |
| Eligible NRI | NRIs from jurisdictions outside India where it was not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus |

| Terms | Description |
|---|---|
| | constituted an invitation to subscribe to the Equity Shares Allotted herein. |
| Eligible QFIs | QFIs from such jurisdictions outside India where it was not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constituted an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants. |
| Escrow Account | The account(s) opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid. |
| First/ Sole bidder | The bidder whose name appears first in the Bid cum Application Form or Revision Form. |
| Floor Price | The lower end of the Price Band, being ₹ 77, not being less than the face value of Equity Shares, at or above which the Issue Price was finalized and below which no Bids was accepted. |
| Foreign Venture Capital Investors | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000. |
| FPI / Foreign Portfolio Investor | A Foreign Portfolio Investor who has been registered under 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. |
| Fraudulent Borrower | Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations |
| Fresh Issue / Issue | The Fresh Issue of 46,80,000 Equity Shares aggregating up to ₹ 3,744.00* Lakhs. <i>*Subject to finalization of Basis of Allotment</i> |
| 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 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI. |
| GIR Number | General Index Registry Number |
| IPO/ Issue/ Issue Size/ Public Issue | Initial Public Offering |
| Issue Agreement | Agreement dated April 6, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements were agreed to in relation to the Issue. |
| Issue Closing | Our Issue closed on Wednesday, August 21, 2024 . |
| Issue document | Includes the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus to be filed with Registrar of Companies. |
| Issue Opening | Our Issue opened on Monday, August 19, 2024 . |
| Issue Period | The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants could submit their Bidding application. |
| Issue Price | The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ 80 /- (including share premium of ₹ 70/- per Equity Share). |
| Issue Proceeds | Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 72 of this Prospectus. |
| Issue/ Issue Size/ Initial Public Issue/ Initial Public Offering/ IPO | The initial public offering of up to 46,80,000 Equity Shares for cash at a price of ₹ 80 each, aggregating up to ₹ 3,744.00* lakhs. <i>*Subject to finalization of Basis of Allotment</i> |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and the NSE. |
| Market Maker | The Market Maker to the Issue, in this case being Giriraj Stock Broking Private Limited. |
| Market Maker Reservation Portion | The reserved portion of 2,35,200 Equity Shares of ₹ 10 each at an Issue price of ₹ 80 each aggregating to ₹ 188.16 Lakhs to be subscribed by Market Maker in this Issue. |
| Market Making Agreement | The Market Making Agreement dated August 8, 2024 between our Company, Book Running Lead Manager and Market Maker. |

| Terms | Description |
|---|--|
| Mutual Funds | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Mutual Fund Portion | 5.03% of the Net QIB Portion, (other than anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price. |
| Net Issue | The Issue excluding the Market Maker Reservation Portion of 44,44,800 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ 80 Equity Share aggregating ₹ 3,555.84* Lakhs by our Company. <i>*Subject to finalization of Basis of Allotment</i> |
| Net QIB Portion | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors |
| Net Proceeds | The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue. |
| Non-Institutional Applicant / 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-Institutional Portion | The portion of the Issue being not less than 15.01% of the Net Issue consisting of 6,67,200 Equity Shares aggregating ₹ 533.76 Lakhs which was made available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law |
| NPCI | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA). |
| Person/Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Price Band | Price Band of a minimum price (Floor Price) of ₹ 77 and the maximum price (Cap Price) of ₹ 80. |
| Pricing Date | The date on which our Company, in consultation with the BRLM, will finalize the Issue Price. |
| Prospectus | This Prospectus dated August 22, 2024, filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto. |
| Public Issue Account Agreement | Agreement dated August 8, 2024 entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts. |
| Public Issue Account | Account opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date. |
| Public Issue Account Bank | The bank with whom the Public Issue Account has been opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited |
| Qualified Institutional Buyers / QIBs | The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations. |
| QIB Category/ QIB Portion | The portion of the Net Issue (including the Anchor Investor Portion) being not more than 49.96% of the Net Issue, consisting of 22,20,800 Equity Shares which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price. |
| Red Herring Prospectus / RHP | The Red Herring Prospectus dated August 8, 2024, issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto. |
| Refund Bank(s) /Refund Banker(s) | Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts was opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited. |
| Refund Account | The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from |

| Terms | Description |
|---|--|
| | which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made. |
| Registered Broker | Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either NSE or National Stock Exchange of India Limited 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 https://www.nseindia.com/ |
| Registrar / Registrar to the Issue/ RTA | Registrar to the Issue being MAS Services Limited. |
| Registrar Agreement | The registrar agreement dated April 6, 2024 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. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. |
| Retail Individual Investors / (RII) | Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹. 2,00,000. |
| Retail Portions | Portion of the Issue being not less than 35.03% of the Net Issue consisting of 15,56,800 Equity Shares aggregating ₹ 1,245.44 Lakhs which was made available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which was not less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis |
| Revision Form | The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s) |
| SCSB | A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 |
| SEBI Master Circular | Master circular dated June 21, 2023 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place. |
| SME Platform of NSE | The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations. |
| Sponsor Bank | The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars, being Axis Bank Limited |
| Sub Syndicate Member | The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms. |
| Syndicate Agreement | The agreement dated August 8, 2024 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue |
| Syndicate Member(s) | Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, the BRLM shall be acting as the Syndicate member for this Issue. |
| 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 bidders, as proof of registration of the bid. |
| Underwriter | The BRLM and the Market Maker has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. |
| Underwriting Agreement | The Agreement dated August 8, 2024, entered into between the Underwriter and our Company |
| UPI | Unified payment Interface, which is an instant payment mechanism, developed by NPCI. |
| UPI Circular | Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. |

| Terms | Description |
|--|--|
| | SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the SEBI Master Circulars and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time |
| UPI ID | ID created on UPI for single-window mobile payment system developed by the NPCI. |
| UPI Mandate Request | A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment. |
| UPI Mechanism | The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars. |
| UPI PIN | Password to authenticate UPI transactions. |
| Wilful Defaulter and Fraudulent Borrower | A wilful defaulter(s) and fraudulent borrower(s) as defined under SEBI ICDR Regulations. |
| Working Days | In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on NSE, working day means all trading days of NSE, excluding Sundays and bank holidays, as per circulars issued by SEBI |

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

| Term | Description |
|---|--|
| “₹” or “Rs.” or “Rupees” or “INR” | Indian Rupee |
| “Consolidated FDI Policy” or “FDI Policy” | Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020 |
| “Financial Year” or “Fiscal Year” or “FY” | Period of 12 months ending March 31 of that particular year |
| “OCBs” or “Overseas Corporate Body” | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| A/c | Account |
| AGM | Annual General Meeting |
| AIF | Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India |
| CAGR | Compounded Annual Growth Rate |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation Allocation Note |
| Category I AIF | AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations |
| Category I FPIs | FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations |
| Category II AIF | AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations |
| Category II FPIs | FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations |
| Category III AIF | AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations |

| Term | Description |
|-------------------------------------|--|
| CBDT | Central Board of Direct Taxes, Government of India |
| CDSL | Central Depository Services (India) Limited |
| Central Government | Central Government of India |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| CLRA | Contract Labour (Regulation and Abolition) Act, 1970 |
| Companies Act 1956 | Erstwhile Companies Act, 1956 along with the relevant rules made thereunder |
| Companies Act, 2013 / Companies Act | Companies Act, 2013 along with rules made thereunder |
| CS | Company Secretary |
| CSR | Corporate Social Responsibility |
| Depositories Act | The Depositories Act, 1996 |
| Depository(ies) | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| DIN | Director Identification Number |
| DP ID | Depository Participant's Identification Number |
| EBITDA | Earnings before Interest, Tax, Depreciation and Amortisation |
| ECB | External Commercial Borrowings |
| ECB Master Directions | Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EPF Act | Employees' Provident Fund and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings per share |
| ESI Act | Employees' State Insurance Act, 1948 |
| FCNR Account | Foreign Currency Non Resident (Bank) account established in accordance with the FEMA |
| FEMA | The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder |
| FEMA Regulations | The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 |
| FEMA Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| Financial Year/Fiscal | The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year |
| FIR | First information report |
| FPIs | Foreign portfolio investors as defined and registered under the SEBI FPI Regulations |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 |
| FVCI | Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations |
| GDP | Gross Domestic Product |
| GoI / Government | The Government of India |
| GST | Goods and Services Tax |
| HSBC Bank | The Hong Kong and Shanghai Banking Corporation Limited |
| HUF(s) | Hindu Undivided Family(ies) |
| ICAI | Institute of Chartered Accountants of India |
| ICSI | The Institute of Company Secretaries of India |
| IFRS | International Financial Reporting Standards |
| IFSC | Indian Financial System Code |
| Income Tax Act / IT Act | Income Tax Act, 1961 |
| Ind AS | The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time |
| Insolvency Code | Insolvency and Bankruptcy Code, 2016, as amended from time to time |
| ISIN | International Securities Identification Number |
| IT | Information Technology |
| MCA | The Ministry of Corporate Affairs, GoI |
| Merchant Banker | Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended |

| Term | Description |
|---------------------------|--|
| Mn / mn | Million |
| MOF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| MSME | Micro, Small, and Medium Enterprises |
| Mutual Funds | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| N.A. or NA | Not Applicable |
| NACH | National Automated Clearing House |
| NAV | Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares |
| Net Worth | Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation |
| NR | Non-resident or person(s) resident outside India, as defined under the FE |
| NRE | Non- residential external |
| NRE Account | Non- residential external account |
| NRI | A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 |
| NRO | Non- resident ordinary |
| NRO Account | Non-resident ordinary account |
| NSE | National Stock Exchange of India Limited |
| NSDL | National Securities Depository Limited |
| NTA | Net Tangible Assets |
| OCI | Overseas Citizen of India |
| ODI | Off-shore Derivate Instruments |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| PIO | Person of Indian Origin |
| PLR | Prime Lending Rate |
| R&D | Research and Development |
| RBI | The Reserve Bank of India |
| RBI Act | Reserve Bank of India Act, 1934 |
| RoNW | Return on Net Worth |
| RTGS | Real Time Gross Settlement |
| SARFAESI Act | The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 |
| SAT | Securities Appellate Tribunal |
| SCRA | Securities Contract (Regulation) Act, 1956 |
| SCRR | The Securities Contracts (Regulation) Rules, 1957 |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act, as amended |
| SEBI Act | The Securities and Exchange Board of India Act, 1992, as amended |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended |
| SEBI BTI Regulations | Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 |
| SEBI FPI Regulations | The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| SEBI ICDR Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended |
| SEBI Takeover Regulations | The 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 Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |

| Term | Description |
|----------------------|---|
| SME | Small and Medium Enterprises |
| Stamp Act | The Indian Stamp Act, 1899, as amended from time to time |
| State Government | The Government of a state in India |
| State Government | The Government of a State of India |
| Stock Exchange | Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited |
| TDS | Tax Deducted at Source |
| Trademarks Act | Trademarks Act, 1999, as amended |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America |
| US\$/ USD/ US Dollar | United States Dollar, the official currency of the United States of America |
| USA/ U.S./ US | United States of America, its territories and possessions, any state of the United States of America and the District of Columbia |
| VAT | Value Added Tax |
| VCFs | Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be |
| w.e.f. | With effect from |
| Year/Calendar Year | Unless context otherwise requires, shall refer to the twelve-month period ending December 31 |

INDUSTRY RELATED TERMS

| Term | Description |
|---------------|---|
| AEs | Advanced Economies |
| A-TUFS | The Amended Technology Up-gradation Fund Scheme |
| BPC | Beauty and Personal Care |
| CAGR | Compound Annual Growth Rate |
| COVID-19 | CoronaVirus Disease of 2019 |
| DGFT | The Directorate General of Foreign Trade |
| D2C | Direct-to-Consumer |
| EBITDA | Earnings before Interest, Tax, Depreciation, and Amortization |
| EESL | Energy Efficiency Services Limited |
| EMDEs | Emerging Market and Developing Economies |
| EPCG | Export Promotion Capital Goods Scheme |
| GDP | Gross Domestic Product |
| IES | Interest Equalization Scheme |
| IGST | Integrated Goods and Services Tax |
| IMF | International Monetary Funds |
| Ind-Ra | India Ratings |
| IWDP | The Integrated Wool Development Programme |
| MAI | Market Access Initiative |
| MEIS | Merchandise Exports from India Scheme |
| OPEC+ | The Organization of the Petroleum Exporting Countries, including Russia and other non- OPEC oil exporters |
| PFCE | Private Final Consumption Expenditure |
| PP | Percentage Point |
| RMG | Readymade Garments |
| RoSL | Refund of State Levies |
| RTS | Ready to Stitch |
| RTW | Ready to Wear |
| SAATHI | Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries |
| SCBTS | Scheme for Capacity Building in Textile Sector |
| SKUs | Stock Keeping Units |
| SoW | Share of Wallet |
| TUFS | Technology Up-gradation Fund Scheme |
| UK | United Kingdom |
| US | United States |
| USD/ US\$/ \$ | US Dollar |
| WEO | World Economic Outlook |
| YoY | year on year |

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 267, 92, 94, 130, 159, 208 and 236, respectively of this Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

Certain Conventions

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

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page No. 159 of this Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at February 29, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period ended February 29, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 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.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this 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 Position and Results of Operations*” on Page Nos. 25, 106 and 197 respectively, of this Prospectus, and elsewhere in this Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this 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 the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on Page Nos. 25, 94 and 106 respectively, this Prospectus.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in the Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

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

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

| Currency | Exchange rate as on (in ₹) | | | |
|----------|----------------------------|----------------|----------------|----------------|
| | February 29, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| 1 USD | 82.92 | 82.22 | 75.91 | 73.53 |

(Source: www.rbi.org.in and www.fbil.org.in)

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "Basis for Issue Price" on Page No. 84 of this Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on Page No. 25 of this Prospectus.

FORWARD - LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- If we are unable to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and prospects.
- We derive a significant portion of our revenues from sales to third party brand owners, wholesalers and through online retailers. Any failure to maintain relationships with such third parties could adversely affect our business, results of operations and financial condition.
- We are dependent on our contract manufacturers to procure our products and do not have any manufacturing facilities of our own. Our business is therefore dependent to a large extent on expected performance and operation of our contract manufacturer partners.
- If any new products or brands that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.
- If we are unable to procure raw materials, finished products and packing material of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 25, 106 and 197, respectively, of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure 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 as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

SECTION II - ISSUE DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoters and Promoter Group”, “Financial Information”, “Objects of the Issue”, “Our Business”, “Issue Procedure” and “Description of Equity Shares and Terms of Articles of Association” beginning on Page Nos. 25, 94, 208, 153, 159, 72, 106, 236 and 267, respectively of this Prospectus.

1. Summary of Industry in which the Company is operating

The domestic apparel market can also be broadly divided by price into super premium, premium, medium, economy, and value segments. The medium price segment holds majority of the share among apparel segment followed by economy segment. The price sensitive rural population forms a major part of the value and economy price segments of apparel market. Further, driven by the twin trends of premiumisation and value consciousness, the mid-market segment is being squeezed on both sides by the value and the premium segments. Demand for various apparel categories varies substantially across the country. The urban metro market comprising cities such as Delhi NCR, Mumbai, Bengaluru, Chennai, etc., is the biggest market for apparel in India and contributes over 20% to the Indian apparel market. Considering that less than 20% of India’s population lives in these cities indicate the higher purchasing power in urban areas and frequency of purchases. The metros also witness huge penetration of women’s western wear as compared to Tier -I or Tier -II cities of the country. High real estate costs, competition among branded players and saturation in metro cities of the country have driven big brands to move towards the smaller cities. The increasing purchasing capacity and awareness of fashion and trend in small cities has also resulted in providing a huge market to the organised players of the country. The rural apparel market in India is still primarily catered by unbranded and unorganised local players. Need based clothing and price sensitivity among people of rural India does not make it a lucrative market for branded players.

For further details, please refer to the chapter titled “Industry Overview” beginning on Page No. 94 of this Prospectus.

2. Summary of Business

Our company was initially established in the year 2010 as a partnership firm under the name ‘Forcas Apparels’ founded by Sailesh Agarwal and later expanded its operations and converted to *Forcas Studio Private Limited* in the year 2024 and later in the same year 2024, it was converted to a public limited Company by the name *Forcas Studio Limited*. Our Company is well known by the brand name ‘FTX’, ‘TRIBE’ and ‘Conteno’ which personifies style, attitude, value for money and comfort in the mass Men’s clothing industry.

Our Company is into Menswear and deals in men’s garments such as *Shirts, Denims, T-shirts, trousers, Cotton pants, sports-wear, party-wear, fashion wear, boxers etc.* and cater pan India through online and wholesale in our own brand and also white-labelling for other brands such as *Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail* and many more. Our Company is in the business of manufacturing and selling of menswear garments through online e-commerce platforms and wholesale under the name of ‘FTX’, ‘Tribe’ and ‘Conteno’. Our Company sells products under its own brand through the most popular retail online e-commerce platforms namely, *flipkart, Myntra, Meesho, Amazon, Ajio, Jio Mart, Glowroad, Limeroad, Solvd and Shopsy*. The wholesale business comprises of sale to wholesalers who purchase in bulk for onward sales to garment retailers in different states of the country. Further, our brand also are sold through large format stores including *V-Mart Retail, V2 Retail, City Kart, Metro Bazar, Kothari Retail and Sarvana Retail*s.

For further details, please refer to chapter titled “Our Business” beginning on Page No. 106 of this Prospectus.

3. Promoter

The Promoters of our Company are Sailesh Agarwal and Sourav Agarwal. For further details, please refer to the chapter titled “Our Promoters and Promoter Group” beginning on Page No. 153 of this Prospectus.

4. Details of the Issue

Public issue of 46,80,000* equity shares of face value of ₹ 10/- each of Forcas Studio Limited (“Forcas” or the “Company” or the “Issuer”, and such equity shares the “Equity Share”), for cash at a price of ₹ 80/- per Equity Share including a share premium of ₹ 70/- per Equity Share (the “Issue Price”) aggregating up to ₹ 3,744.00 lakhs* (the “Issue”), of which 2,35,200 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 80/- per equity share including a share premium of ₹ 70/- per equity share aggregating to ₹ 188.16 lakhs will be reserved for subscription by market maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Net issue of 44,44,800 Equity Shares of face value of ₹ 10/- each at a price of ₹ 80/- per Equity Share including a share premium of ₹ 70/- per Equity Share aggregating to ₹ 3,555.84 lakhs is herein after referred to as the “Net Issue”. The Issue and the Net Issue constituted 26.62% and 25.28%, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

*Subject to finalisation of basis of allotment

5. **Objects of the Issue**

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

(₹ in lakhs)

| Particulars | Amount |
|----------------------------------|-----------------|
| Gross Proceeds of the Issue | 3,744.00 |
| Less: Issue related expenses | 235.00 |
| Net Proceeds of the Issue | 3,509.00 |

6. **Utilization of Net Issue Proceeds**

(₹ in lacs)

| Sr. No. | Particulars | Estimated amount |
|---------|---|------------------|
| 1. | Funding of upgradation of warehouse | 165.67 |
| 2. | Prepayment or repayment of all or a portion of certain loans availed by our Company | 1,300.00 |
| 3. | Funding of working capital requirements of our Company | 1,200.00 |
| 4. | General corporate purposes ⁽¹⁾ | 843.33 |

⁽¹⁾To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

⁽²⁾The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled “Objects of the Issue” beginning on Page No. 72 of this Prospectus.

7. **Aggregate Pre Issue Shareholding of Promoters and Promoter Group**

Following are the details of the pre-Issue shareholding of Promoters:

| S. No. | Particulars | No. of Equity Shares | As a % of Pre-Issue Capital | No. of Equity Shares | As a % of Post Issue Capital |
|------------------|-----------------|----------------------|-----------------------------|----------------------|------------------------------|
| Promoters | | | | | |
| 1. | Sailesh Agarwal | 95,40,000 | 73.95 | 95,40,000 | 54.27 |
| 2. | Sourav Agarwal | 10,60,000 | 8.22 | 10,60,000 | 6.03 |
| Total – A | | 1,06,00,000 | 82.17 | 1,06,00,000 | 60.30 |

As on date of this Prospectus, none of the members of our Promoter Group hold any shareholding in our Company.

For further details, please refer to the chapter titled “Capital Structure” beginning on Page No. 63 of this Prospectus.

8. **Summary of Financial Information**

Following are the details as per the Restated Financial Information as at and for the period ended February 29, 2024 and as at and for the Financial Years ended on March 31, 2023, March 31, 2022 and March 31, 2021:

(₹ in lacs, except share data)

| S. No. | Particulars | February 29, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|--------|----------------------------------|-------------------|----------------|----------------|----------------|
| 1. | Share Capital | 1,290.00 | 860.26 | 830.84 | 711.94 |
| 2. | Net Worth | 1,901.97 | 860.26 | 830.84 | 711.94 |
| 3. | Revenue from operations | 9,607.24 | 6,960.46 | 5,320.02 | 5,051.04 |
| 4. | Profit after Tax | 514.75 | 117.19 | 80.71 | 58.38 |
| 5. | Earnings per Share | 3.99 | 1.36 | 0.97 | 0.82 |
| 6. | Net Asset Value per equity share | 14.74 | 10.00 | 10.00 | 10.00 |
| 7. | Total borrowings | 2,861.04 | 2,325.26 | 2,419.99 | 2,437.92 |

For further details, please refer to the section titled “Financial Information” beginning on Page No. 159 of this Prospectus.

9. **Auditor qualifications which have not been given effect to in the Restated Financial Information**

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

10. **Summary of Outstanding Litigation**

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoters and our Directors are provided below:

a) **Litigations involving our Company**

i) *Cases filed against our Company:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|---|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Actions taken by regulatory authorities | Nil | Nil |
| Material civil litigations | Nil | Nil |

ii) *Cases filed by our Company:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|----------------------------|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | 1 | 230.52 |
| Indirect Tax matters | Nil | Nil |
| Material civil litigations | Nil | Nil |

b) Litigations involving our Directors

i) *Cases filed against our Directors:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|---|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Actions taken by regulatory authorities | Nil | Nil |
| Material civil litigations | Nil | Nil |

ii) *Cases filed by our Directors:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|----------------------------|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Material civil litigations | Nil | Nil |

c) Litigations involving our Promoters

i) *Cases filed against our Promoters:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|---|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Actions taken by regulatory authorities | Nil | Nil |
| Material civil litigations | Nil | Nil |

ii) *Cases filed by our Promoters:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|----------------------------|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Material civil litigations | Nil | Nil |

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 208 of this Prospectus.

11. Risk Factors

Please refer to the section titled “*Risk Factors*” beginning on Page No. 25 of this Prospectus.

12. Summary of Contingent Liabilities

As per the Restated Financial Information as at and for the eleven months period ended February 29, 2024 and as at and

for the Financial Years ended on March 31, 2023, 2022 and 2021, following are the details of the contingent liabilities of our Company which have been recognized and reported in the Restated Financial Information:

(₹ in lakhs)

| Contingent Liabilities and Capital commitments | 29-Feb-2024 | 11-Jan-2024 | 31-Mar-2023 | 31-Mar-2022 | 31-Mar-2021 |
|--|-------------|-------------|-------------|-------------|-------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | - | - | - | - | - |
| Other commitments relating to settlement of litigation disputes | - | - | - | - | - |
| Disputed demands with various government departments. | 230.52 | 230.52 | 230.52 | - | - |

For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on Page No. 159 of this Prospectus.

13. Summary of Related Party Transactions

As per the Restated Financial Information as at and for the eleven months period ended February 29, 2024 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021, following are the details of the related party transactions of our Company:

(₹ in lakhs)

| Sl. No. | Name of Party | Nature of Relationship | Nature of Transaction | 12.01.2024 to 29.02.24 Amount | 01.04.23 to 11.01.24 Amount | 2022-2023 Amount | 2021-2022 Amount | 2020-2021 Amount |
|---------|-----------------|------------------------|-----------------------------------|-------------------------------|-----------------------------|--------------------|--------------------|--------------------|
| 1 | KMP | KMP | Short Term Borrowings Taken | 136.75 (557.75) | 557.75 (376.34) | 376.34 (575.67) | 575.67 (639.09) | 639.09 (465.20) |
| | | | Short Term Borrowings Repaid | 162.92 (439.35) | 439.35 (432.73) | 432.73 (528.17) | 528.17 (452.57) | 452.57 (274.40) |
| | | | Salary Paid | 4.00 (13.50) | 13.50 (18.00) | 18.00 (18.00) | 18.00 (18.00) | 18.00 (18.00) |
| | | | Interest Paid | - (87.77) | 13.50 (75.48) | 18.00 (60.14) | 18.00 (80.76) | 18.00 (72.49) |
| | | | | | | | | |
| 2 | Relative of KMP | Relative of KMP | Purchase of Goods | 101.72 - | - (17.69) | 17.69 (8.73) | 8.73 - | - (32.29) |
| | | | Repaid for purchase | - - | - - | - (8.73) | 8.73 - | - - |
| | | | Short Term Loan & Advances taken | - (15.85) | 15.85 (17.05) | 17.05 (0.81) | 0.81 - | - - |
| | | | Short Term Loan & Advances Repaid | - (71.62) | 71.62 (0.40) | 0.40 - | - (4.22) | 4.22 (202.00) |
| | | | Short Term Borrowings Taken | 9.51 (49.00) | 49.00 (57.18) | 57.18 (49.47) | 49.47 - | - (14.40) |
| | | | Short Term Borrowings Repaid | 71.30 (36.93) | 36.93 (39.19) | 39.19 (89.68) | 89.68 (302.24) | 302.24 (206.89) |
| | | | Salary Paid | 2.00 (27.00) | 27.00 (44.50) | 44.50 (48.00) | 48.00 (48.00) | 48.00 (48.00) |
| | | | Interest Paid | - - | - - | - - | - - | - - |
| | | | Unsecured Loan Taken | - (62.99) | 62.99 (12.45) | 12.45 (77.27) | 77.27 (13.31) | 13.31 (59.86) |
| | | | Unsecured Loan Repaid | - (25.46) | 25.46 (82.79) | 82.79 (27.92) | 27.92 (260.31) | 260.31 (33.95) |
| | | | | | | | | |
| | | | | | | | | |

| Balance outstanding at the end of the period | | | | | |
|--|------------|----------|----------|----------|----------|
| KMP | 128.85 | 1,102.94 | 850.61 | 845.99 | 720.34 |
| | (1,102.94) | (850.61) | (845.99) | (720.34) | (412.42) |
| Relative of KMP | 137.46 | 241.59 | 100.44 | 251.49 | 455.91 |
| | (241.59) | (100.44) | (251.49) | (455.91) | (726.41) |

For further details, kindly refer “*Restated Financial Information – Note 30 – Related Party Disclosures*” from the chapter titled “*Restated Financial Information*” on Page No. 159 of this Prospectus.

14. Financials Arrangements

There are no financing arrangements whereby the Promoters, members of the Promoters Group, the Directors of our Company and their relatives, have 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 Prospectus.

15. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus is as follows:

| Name of Promoters | No. of shares acquired in last one year from the date of this Prospectus | Weighted Average Price (in ₹) |
|-------------------|--|-------------------------------|
| Sailesh Agarwal | 95,40,000 | 10.00 |
| Sourav Agarwal | 10,60,000 | 10.00 |

16. Average Cost of Acquisition of Equity Shares for Promoters

The average cost of acquisition of Equity Shares for the Promoters is as follows:

| Name of Promoters | No. of shares held | Average Cost of Acquisition (in ₹) |
|-------------------|--------------------|------------------------------------|
| Sailesh Agarwal | 95,40,000 | 10.00 |
| Sourav Agarwal | 10,60,000 | 10.00 |

17. Pre-IPO Placement

Our Company has not undertaken and shall not undertake a pre-IPO placement.

18. Issue of equity shares made in last one year for consideration other than cash

Our Company has not issued shares for consideration other than cash during last one year.

19. Split or consolidation of Equity Shares in the last one year

There has not been a split or consolidation of Equity Shares in the last one year.

20. Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

SECTION III – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 94, 106 and 197 of this Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 19 of this Prospectus.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.

Materiality:

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

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

The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. 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 over another.

In this Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

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

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

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

1. ***If we are unable to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and prospects.***

Our Company is engaged in the business of manufacturing and selling of menswear and men's garments under our own brand, through white-labelling, *i.e.*, for other brands such as, Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail, *etc.*, and through online e-commerce platforms. Our results of operations are dependent on our ability to anticipate, gauge and respond to changes in customer preferences and design of new products or modifying the fabrics we deal in by manufacturing the same on a job work basis through our contract manufacturers, in accordance with changes in fashion trends as well as customer demands and preferences. If we are unable to anticipate, gauge and respond to changing customer preferences or fashion trends, or if we are unable to adapt to such changes by modifying our suppliers and products on a timely basis, we may lose, or fail to attract customers, our inventory may become obsolete and we may be subject to pricing pressure to sell our inventory at a discount. A decline in demand for our products or a misjudgment on our part could lead to lower sales, excess inventories and higher markdowns, each of which may have an adverse effect on our results of operations and financial condition.

2. ***We derive a significant portion of our revenues from sales to third party brand owners, wholesalers and through online retailers. Any failure to maintain relationships with such third parties could adversely affect our business, results of operations and financial condition.***

Our Company is engaged in manufacturing and selling of menswear and men's garments under our own brand, through white-labelling, *i.e.*, for other brands such as, Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail, *etc.*, through wholesalers and through online e-commerce platforms. Our business operations are highly dependent on our customers, and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations. While we typically have long term relationships with our customers, we have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers and suppliers. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Further, if there occurs any change in the market conditions, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

Since, we are dependent upon third parties for majority of our revenue, we cannot assure you that such third parties shall fulfil their obligations under such agreements entirely, or at all, shall not breach certain terms of their arrangements with us, including with respect to payment obligations or quality standards, or shall not choose to terminate their arrangements with our Company. We do not have formal arrangements with our customers, therefore our ability to initiate litigation against them in respect of any breach is accordingly curtailed. In the event we file any litigation, such litigation could divert the attention of our management from our operations, and be decided against us, which may adversely affect our business, financial condition and results of operations.

3. ***We are dependent on our contract manufacturers to procure our products and do not have any manufacturing facilities of our own. Our business is therefore dependent to a large extent on expected performance and operation of our contract manufacturer partners.***

We currently do not own any manufacturing facilities and procure our products with our brand from various contract manufacturers which we distribute and sell. We are therefore dependent on third parties for the manufacturing of our products and maintenance of adequate inventory to ensure that we are able to procure products based on supply necessities. The operations of our contract manufacturers are subject to various operating risks, including some which are beyond their control, which may include breakdowns and failure of equipment, industrial accidents, employee unrest, severe weather conditions, natural disasters etc. We have not entered into any formal agreements with the contract manufacturers. We may be unable to replace our existing contract manufacturers at short notice, or at all, and may face delays in procurement and added costs as a result of the time required to develop new contract manufacturers to undertake manufacturing in accordance with our standard processes and quality control standards.

If our contract manufacturers are unable to expand their manufacturing capabilities or face stoppage of the manufacturing process, we may not be able to tap growth opportunities in the branded apparels market. While we endeavour to have back-up arrangements in place to ensure adequate capacity and sourcing, we cannot assure you that we will always be able to arrange for alternate manufacturing capacity, or alternate sources of our raw materials, at prices acceptable to us, or at all, or that we will be able to pass on any increase in cost to our customers.

Sourcing our apparel products from new contract manufacturers may have an adverse impact on the quality of our products which may in turn have an adverse impact on our results of operations. Any inability on our part to arrange for alternate contract manufacturers, on commercially acceptable terms, may have an adverse effect on our business, results of operations and financial condition. While we strive to ensure that our outsourced manufacturers meet stringent quality requirements, we cannot guarantee that the outsourced manufacturers will duly comply with all required processes to ensure the maintenance of quality standards. While we strictly inspect the products upon receipt at our warehouse, any lacunae in quality standards could adversely affect the reputation of our brands. We exercise regular supervision over the manufacturing operations at the facilities of our contract manufacturers through our personnel who are either stationed at such facilities or periodically visit these facilities for inspections, enabling us to efficiently carry out production changes in designs or quantity of products required.

We also face the risk of legal proceedings and product liability claims being brought against us by various entities including customers, franchisees, and online retailers, for defective products sold. We cannot assure that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. In the event that goods procured by us from external vendors or third-party manufacturers and sold to our customers suffer in quality or after sales service provided by them is unsatisfactory, our brand image and sales could be negatively impacted. Further, any damage or negative publicity in relation to the quality of our products may adversely affect our business and may lead to loss of reputation and revenue. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs. While our staff periodically visits and monitors the operations of our vendors, we do not control these vendors or their labour practices nor do we assess their labour practices, either during such visits or in determining sourcing allocations. The violation of or any suspected violation of, labour laws or other applicable regulations by our vendors, could have an adverse effect on our business and results of operations.

4. *If any new products or brands that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.*

Through our brands, 'FTX', 'TRIBE' and 'Conteno', we continue to introduce a wide range of garments. To expand our product range and price spectrums, we intend to grow our three emerging brands, and may also launch additional brands. However, we cannot assure you that any new products or brands that we develop or launch will accurately reflect the prevailing fashion trends or be well received by our customers and the market, within the anticipated timeframe or at all, or that we will be able to recover costs incurred in developing these products and brands, or earn adequate profits and profit margins. If any of our brands, or the products and brands that we may launch in the future are not as successful in gaining market acceptance as we anticipate, our brand image and reputation may be affected, contrary to our projections or future growth expectations, which could adversely affect our business, results of operations and financial condition. Further, the launch of any new brands or any future expansion to our product offerings may place a strain on our management, operational and financial resources, as well as our information systems, which could also adversely affect our business.

5. *If we are unable to procure raw materials, finished products and packing material of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected.*

We source our raw materials and fabric from the local markets and outsource its job work to the various contract manufacturers under the supervision of company personnel for designs and quality control. Our business operations require a sufficient and stable supply of raw materials and other goods. However, the amount of raw materials and other goods we require may fluctuate from time to time. We depend on third-party vendors for raw materials and goods used in the manufacture of our products. Our financial performance depends largely on our ability to arrange from the sellers of such materials in sufficient quantities at competitive prices. We are not assured of continued provision or adequate pricing of raw materials. Any of our contract manufacturers could discontinue or seek to alter their relationship with us. However, given the vast network of contract manufacturers, we may always be able to identify alternates both within and outside of the geographic locations.

6. *We conduct our business activities on a purchase order basis and therefore, have not entered into long-term*

agreements with our customers.

Our Company is engaged in the business of manufacturing and selling of menswear and men's garments under our own brand, through white-labelling, *i.e.*, for other brands such as, Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail, *etc.*, and through online e-commerce platforms. We manufacture a particular garment, on job work basis, on the basis of orders which are received from our customers which generally contain the specifications as per which the garment has to be manufactured. We have not entered into any agreements, arrangement or any other understanding with our customers and therefore, our business is dependent upon the continuous relationship with the customers and the quality of our products. Further, neither do we have any exclusive agents, dealers, distributors nor have we entered into any agreements with any of the market intermediaries for selling or marketing our products. If there occurs any change in the market conditions, fashion trends, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

- 7. Any failure in the quality processes by our contract manufacturers may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of products supplied by our manufacturers does not meet our customers' expectations.***

Our products might have certain quality issues or undetected errors, due to defects in manufacture of products caused by our contract manufacturers. Any shortcoming in the products procured by us due to failure of the quality control procedures adopted by the contract manufacturers, negligence, human error or otherwise, may damage our products and result in deficient products. It is imperative for our contract manufacturers to meet the quality standards set by our customers and agencies as deviation from the same may cause them to reject our products and cause damage to our reputation, market standing and brand value. While, instances of quality lapses by our contract manufacturers have not occurred in the past, occurrence of any such events in the future, may have an adverse impact on our business, results of operations and financial condition.

In the event the quality of the products is sub-standard or the products procured by us suffer from defects and are returned by our customers due to quality complaints, we may be compelled to take back the sub-standard products and reimburse the cost paid by our customers. We do not have formal arrangements with our contract manufacturers, therefore we may not be able to claim a reimbursement of the damages suffered by us or litigate them for such reimbursement. Such quality lapses may strain our longstanding relationship with our domestic and international customers and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which may have a severe impact on our revenue and business operations. We along with our contract manufacturers also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs. While, no product liability claims have been instituted against our Company, however occurrence of any such events in the future, may have an adverse impact on our business, results of operations and financial condition.

- 8. Our warehouse and a majority of our contract manufacturers are exclusively based in a single geographical region. This may expose our manufacturing processes and our supply chain to regional risks, which may adversely affect our business, financial condition and results of operations.***

Our warehouse and a majority of our contract manufacturers are exclusively based in a single geographical region in and around Kolkata, India, and we depend on our contract manufacturers for a significant portion of the manufacturing processes of our products. Our warehouse acts as a facility for storage and onward delivery of our merchandise across the country. The geographical concentration of our warehouse and our contract manufacturers renders our operations more susceptible to regional risks and any adverse changes and events occurring in or around the region. Adverse changes and events that may impact our operations may include disruptions to infrastructure and services (such as supplies, transportation and utilities for our facilities), significant natural disasters and man-made incidents, political agitations and workforce disruptions, as well as changes in the general economic conditions, the regulatory environment and local government policies. In particular, incidents of fire, damage to, or inability to access, our warehouse or manufacturing facilities of our contract manufacturers, or other issues preventing the normal operation of those facilities could hinder the manufacturing or distribution of our products. In such case, we may need to utilize alternative facilities to manufacture our products. However, we may not be able to do so in a timely manner, or at all. While we have not experienced any such disruptions in the past, we cannot assure you that we will be able to

effectively manage any potential losses arising from any such events, which may adversely affect our business, financial condition and results of operations.

9. *Our operations could be adversely affected by labour shortages, strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees*

Our operations and supply chain could be adversely affected by labour shortages, increased labour costs or work stoppages by our employees and those of our contract manufacturers and our suppliers. We believe that such personnel are critical to maintaining our competitive position. In the event of labour shortages, we, our contract manufacturers and our suppliers may have difficulties recruiting or retaining employees or may cause us to incur additional costs and result in delays or disruption to our production and sales. Any failure to attract qualified personnel at reasonable cost and in a timely manner could reduce our competitive advantages relative to our competitors and undermine our ability to expand. To sustain our operations and relations with our contract manufacturers, we may need to increase the wages paid to them, and as we do not maintain long-term contracts with our contract manufacturers, the price we pay for their services may increase due to increased labour costs incurred by them. If we are not able to pass on the increased labour costs to our customers, our business and results of operations may be adversely affected. Any labour unrest directed against us, our contract manufacturers and our suppliers could directly or indirectly prevent or hinder our normal operating activities (including at our warehouse) and we cannot assure you that any disruptions in work due to strikes, wage disputes or other problems with the work force will not arise in the future. Further, the imposition of new laws, rules and regulations in such area could also adversely affect our operations. These actions are very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition. While, there except for labour shortage in the ordinary course of business, there have not been any instances of labour shortages, strikes, work stoppages or increased wage demands by our employees, however occurrence of any such events in the future, may have an adverse impact on our business, results of operations and financial condition.

10. *Pricing pressure from our competitors may affect our ability to maintain or increase our product prices and, in turn, our revenue from product sales, gross margin and profitability, which may materially and adversely affect our business, financial condition and results of operations.*

We have uniform pricing across our brands for all sales made in India. Our wholesalers and e-commerce platforms have no control over the price points of our products. In contrast, pricing pressure from competitors may manifest in various forms, including, among others, through our competitors lowering their prices for similar products. Pricing pressure from our customers may lead to a decrease in our revenues and profits. Moreover, if our wholesalers and e-commerce platforms fail to follow our retail price stipulations, our brand value and the public perception of our brand positioning could be negatively affected. We may seek to reduce the price of our raw materials and production through negotiations with our suppliers and our contract manufacturers, respectively, and streamline product designs. We cannot assure you that we will be able to avoid future pricing pressure from our competitors or offset the impact of any price reductions through continued technological improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, or other cost reductions through other productivity initiatives. If we were to face pricing pressure from our competitors, and the aforementioned measures or other steps we take fail to maintain or increase our margins and revenues from product sales, our business, financial condition and results of operations may be adversely affected.

11. *If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition.*

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. For instance, our Company has made applications for changing its name from 'Forcas Studio Private Limited' to 'Forcas Studio Limited', however, we cannot assure you that such licenses will be granted or renewed in time or at all. Further, these licenses, registrations and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this non-compliance. If we are unable to renew, maintain

or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, kindly refer the chapter titled "*Government and Other Approvals*" beginning on page 212 of this Prospectus.

12. *Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.*

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we supply our products directly to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it may have a material adverse effect on our Company's results of operations and financial condition. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

13. *If our Company is unable to continue being creative or if we are unable to keep up to the changing trends in the textile industry, it may adversely affect our business, results of operations and prospects.*

Our results of operations depend upon the continued demand of our products by our customers. Since we operate in a competitive industry where customers' purchases are highly subjective and sensitive to current trends along with creativity, keeping in with the latest trends is one of the key attributes for success. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to update our contract manufacturers and products on a timely basis, we may lose customers to our competitors, or may be forced to reduce our sales realization on products by having to offer them at a discount, thereby reducing our margins. If we are not able to anticipate the demand, or misjudge the quantity, *inter alia*, this could lead to lower sales, higher inventories and higher discounts, each of which could adversely affect our brand, reputation, results of operations and financial condition.

14. *Our business and prospects may be adversely affected if we are unable to maintain and grow the image of our brands.*

Our Company has created a brand presence with our brands '*FTX*', '*TRIBE*' and '*Conteno*'. We sell our products under our brands, which we believe are well recognized, have been developed to cater to our intermediaries and have contributed to the success of our business in the market for denim fabrics. We believe our brand's image serve in attracting intermediaries and end use customers to our products in preference over those of our competitors.

Maintaining and enhancing the recognition and reputation of these brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing our brands, including maintaining or improving customer satisfaction and the popularity of our products and increasing brand awareness through brand building initiatives. In particular, from time to time we showcase newly launched brands and products, and if any of those products do not meet standards for quality and performance or customers' subjective expectations, our brand reputation and the sales of our products may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, or the quality of our products declines, our business and prospects may be adversely affected.

15. *Our Company does not have long-term agreement with suppliers for supply of raw material. Our inability to obtain raw material in a timely manner, in sufficient quantities could adversely affect our operations, financial condition and/or profitability*

We depend on a number of suppliers for procurement of raw materials required for manufacturing our products. The table below provides top 5 and top 10 supplier of raw materials during the last 3 financial years and stub period:

| Particulars | February 29, 2024 | | March 31, 2023 | | March 31, 2022 | | March 31, 2021 | |
|------------------|-------------------|------------------------------|-----------------|------------------------------|-----------------|------------------------------|-----------------|------------------------------|
| | Value (₹ lakhs) | Percentage of Total Purchase | Value (₹ lakhs) | Percentage of Total Purchase | Value (₹ lakhs) | Percentage of Total Purchase | Value (₹ lakhs) | Percentage of Total Purchase |
| Top 5 suppliers | 3,957.15 | 59.90% | 1,749.52 | 56.14 | 3,323.13 | 75.17% | 2,896.34 | 72.62% |
| Top 10 suppliers | 5,060.98 | 76.61% | 2,463.26 | 79.05 | 3,966.61 | 89.68% | 3,623.57 | 90.85% |

Our Company maintains a list of registered and unregistered suppliers from whom we procure the materials on order basis. We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us. In the event that we fail to secure sufficient quantities of such raw materials from our suppliers at acceptable quality and prices in a timely manner, our business, financial performance and cash flows may be adversely affected.

16. Our business is subject to seasonality. Lower revenues in the festive period of any Fiscal may adversely affect our business, financial condition, results of operations and prospects.

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Fiscal. Typically, we see an increase in our business before Diwali and during end of season sales. Therefore, our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful, or may not be indicative of our annual financial results or our results in any future quarters or periods.

17. The business orders which we undertake may be delayed, modified, cancelled, or not fully paid for by our clients and therefore, could materially affect our business, results of operations and financial condition.

The business orders which we undertake may be cancelled or may be subject to changes in scope or schedule. We may also encounter problems executing the orders or executing them on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone an order or cause its cancellation. Such factors could include delays or failures to obtain necessary permits, right-of-way, or receive performance bonds and other types of difficulties or obstructions. Any delay, failure, or execution difficulty with respect to orders in our Order Book could materially affect our business, results of operations and financial condition.

18. Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- our ability to acquire and retain clients for our products & services;
- maintaining high levels of customer satisfaction;
- costs relating to our operations;
- adhering to our high quality and process execution standards;
- pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in our business operations;
- recruiting, training, and retaining sufficient skilled technical and management personnel; and
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

All of these factors, in combination or alone could negatively impact our revenues and may cause significant

fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

19. We may not be able to maintain our current levels of profitability due to increased costs or reduced trading spreads or margins.

Our business strategy involves a relatively high level of ongoing interaction with our clients. We believe that this involvement is an important part of developing our relationship with our clients, identifying new cross selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the various products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our traded products were to reduce substantially, which could adversely affect our results of operations.

20. There are outstanding litigations involving our Company which, if determined adversely, may affect our business and financial condition.

As on the date of this Prospectus, our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending litigations involving our Company is provided below:

a) Litigations involving our Company

i) Cases filed against our Company:

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|---|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Actions taken by regulatory authorities | Nil | Nil |
| Material civil litigations | Nil | Nil |

ii) Cases filed by our Company:

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|----------------------------|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | 1 | 230.52 |
| Indirect Tax matters | Nil | Nil |
| Material civil litigations | Nil | Nil |

b) Litigations involving our Directors

i) Cases filed against our Directors:

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|---|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Actions taken by regulatory authorities | Nil | Nil |
| Material civil litigations | Nil | Nil |

ii) Cases filed by our Directors:

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|----------------------|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|----------------------------|-------------------------------|------------------------------|
| Indirect Tax matters | Nil | Nil |
| Material civil litigations | Nil | Nil |

c) **Litigations involving our Promoter**

i) *Cases filed against our Promoter:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|---|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Actions taken by regulatory authorities | Nil | Nil |
| Material civil litigations | Nil | Nil |

ii) *Cases filed by our Promoter:*

| Nature of Litigation | Number of matters outstanding | Amount involved (₹ in lakhs) |
|----------------------------|-------------------------------|------------------------------|
| Criminal matters | Nil | Nil |
| Direct Tax matters | Nil | Nil |
| Indirect Tax matters | Nil | Nil |
| Material civil litigations | Nil | Nil |

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 208 of this Prospectus.

21. *If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.*

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

22. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.*

Our business requires a significant amount of working capital. As per our settled business terms, we require our customers to pay the full amount of the consideration only after they receive the order, as a result, significant amounts of our working capital are often required to finance the purchase of denim fabrics from our suppliers before payment is received from our customers. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks are required to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products.

Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we make provisions for bad debts, including those arising from such defaults based primarily age of the debt and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result, in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and

could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

23. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.*

Our Company's success largely depends on our brand name and brand image, therefore we have trademarked our brand names and their logos differentiating our Company's products from that of our competitors. We deal under other brand names as well, which have also been trademarked by us to maintain a distinction and differentiation for our products and brands. Our current trademark and logo **FTX**, is owned by our Company under the provisions of the Trademarks Act, 1999. Our trademarks may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs.

Further, we believe that there may be other companies or vendors which operate in the unorganized segment using our tradename or brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. Furthermore, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming, continuous supply of denim fabrics or to deliver our costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which might adversely affect our business, results of operations and financial condition.

24. *We do not own any premises used by our Company. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our business.*

The Registered Office and the warehouse of our Company is taken on lease for a fixed tenure. The lease is renewable on mutually agreed terms. Upon termination of the lease, we are required to return the said business premises to the Lessor/Licensor, unless renewed. There can be no assurance that the term of the agreements will be renewed and in the event the Lessor/Licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we are required to vacate our offices, we may be required to identify alternative premises and enter into fresh lease or leave and license agreement. We may have to find new premises which may lead to higher costs.

25. *We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.*

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the changing customers' taste and preferences may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in

addition to our limited experience with such markets and currency exchange rate fluctuations. International markets require a very high standard of quality of products and our Company might not be able to match the international standards thereby failing to make a brand presence in the international markets. If we are unable to make long-lasting relations with the major customers in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which might have an adverse effect on our business, results of operations and financial condition.

- 26. *We are dependent on third party transportation providers for delivery of garments to us from our suppliers and delivery of our products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations may adversely affect our business, financial condition and results of operation.***

In order to ensure smooth functioning of our business operations, we need to maintain continuous supply and transportation of the products from the suppliers to our Company and transportation of our products to our customers, which may be subject to various uncertainties and risks. We are significantly dependent on third party transportation providers for the delivery of garments to us and delivery of our products to our customers. Uncertainties and risks such as transportation strikes or delay in supply of products is likely to have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to deliver our products to our customers in a timely, efficient and reliable manner may adversely affect our business, results of operations and financial condition.

Further, we have not entered into any long-term agreements with our transporters and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transport agencies would fulfil their obligations or would not commit a breach of the understanding with us. While, our supplier avail insurance for the products transported to us and charge the costs of the same to our Company, however, in the event that the products suffer damage or are lost during transit, and in the event the insurance is insufficient to cover the damage suffered by us, we may not able to prosecute the transport agencies due to lack of formal agreements and may have to bear additional costs, which could strain our financial resources. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which might adversely affect our business, results of operations and financial condition.

- 27. *If we are unable to identify customer demand accurately and maintain an optimal level of inventory proportionately, our business, results of operations and financial condition may be adversely affected.***

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in such identification could result in either surplus stock, which we may not be able to sell in a timely manner, or no stock at all, or under stocking, which will affect our ability to meet customer demand. We plan our inventory and estimate our sales based on the forecast, demand and requirements for our products based on past data. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively by readily making our products available to our customers. Ensuring continuous availability of our products requires prompt turnaround time and a high level of coordination across suppliers, inventory management and departmental coordination. While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we over-stock inventory, our capital requirements may increase and we may incur additional financing costs. Any unsold inventory would have to be sold at a discount, leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition. If we under-stock inventory, our ability to meet customer demand may be adversely affected.

- 28. *We rely significantly on our direct marketing network for sale of our products. Also, we do not have any formal agreement with our customers.***

We sell our products through our direct marketing network and through our marketing and sales executives. As on date, we do not have any formal agreement with our customers. In the absence of any formal agreement with them, these clients may stop purchasing our products which may adversely affect our operations. Furthermore, our business growth depends on our ability to attract additional customers and widen our network and our marketing and sales executives. While we believe, that we have good relations with our customers but there is no assurance that our

customers will continue to do business with us or that we can continue to attract additional customers. If we do not succeed in maintaining the stability of our customer network, our market share may decline, materially affecting our results of operations and financial condition. However, we have been constantly adding more customers which is evident from our growth in sales.

29. We face risks of delisting or debarment from online platforms.

We have recently started selling our products through certain online commercial platforms. In the event, we receive negative reviews on our products or receive complaints in respect of products supplied by us, we may face the risk of delisting or debarment from online platforms. Damage caused to our business reputation and brand name may deter users from using our brands, which may have an adverse effect on our financial performance and prospects.

30. Our Promoters, Directors, Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoters, Directors, Key Managerial Personnel and Senior Management, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — “Interest of our Directors” in the chapter titled — “Our Management”, the paragraphs titled — “Interest of our Promoters and Other Interests and Disclosures” in the chapter titled — “Our Promoters and Promoter Group”, “Financial Indebtedness” and “Restated Financial Information” on pages 153, 193 and 159, respectively of this Prospectus.

There can be no assurance that our Promoters, Directors, Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

31. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As on February 29, 2024, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Restated Financial Information, aggregated to ₹ 230.52 lakhs. The details of our contingent liabilities are as follows:

| Contingent Liabilities and Capital commitments | 29-Feb-2024 | 11-Jan-2024 | 31-Mar-2023 | 31-Mar-2022 | 31-Mar-2021 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | - | - | - | - | - |
| Other commitments relating to settlement of litigation disputes | - | - | - | - | - |
| Disputed demands with various government departments. | 230.52 | 230.52 | 230.52 | - | - |

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. For further details of our contingent liabilities, see the chapter titled “Financial Statements” beginning on page 159 of this Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

32. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

Our Company has experienced negative net cash flow from operating activities in the past, the details of which are provided below:

(₹ in lakhs)

| Particulars | For the eleven months period ended February 29, 2024 | For the year ended March 31, | | |
|------------------------------------|--|------------------------------|--------|--------|
| | | 2023 | 2022 | 2021 |
| Net Cash from Operating Activities | (736.62) | 533.90 | 251.44 | 254.19 |

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

33. *Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.*

Upon completion of this Issue, our Promoters and members of our Promoter Group will collectively hold not less than 60.30% of the Equity share capital of our Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. The interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

34. *The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.*

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined through fixed price mechanism. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "Capital Structure" on page 63 of this Prospectus.

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

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

As of February 29, 2024, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled — "Restated Financial Information" at page 159.

While we believe that all our related party transactions have been conducted on an arm's length basis, and we confirm that the related party transactions entered into by the company are in compliance with the relevant provisions of Companies Act and other applicable laws, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

37. *Our Promoters have extended personal guarantees and personal properties as collateral security with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees may*

adversely affect our business operations and financial condition.

Our Promoters have extended personal guarantees to secure the loans availed by our Company and have also provided personal properties as collateral for securing the secured loans availed by our Company from secured lenders. In the event any of these guarantees are revoked or if the personal property of our Promoters is withdrawn, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. If the guarantees is invoked, the ability of our Company to continue its business operations could be adversely affected. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please refer to the chapter titled “*Financial Indebtedness*” on page 193 of this Prospectus.

38. Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans from third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “*Financial Indebtedness*” on page 193 of this Prospectus.

Further, some of our financing arrangements include covenants to maintain our total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. We cannot assure prospective investors that such covenants will not hinder our business development and growth in the future. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition.

It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

39. In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.

As on March 31, 2024 our Company’s total outstanding secured loans are ₹ 3,138.46 lacs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “*Financial Indebtedness*” on page 193 of this Prospectus.

40. We intend to utilise a portion of the Net Proceeds for funding of upgradation of our warehouse. We are yet to place orders for materials required for upgrading our warehouse.

Our Company proposes to utilise an amount of ₹165.67 lakhs from the Net Proceeds for funding the capital expenditure towards upgradation of exiting warehouse at Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola – 700 141, West Bengal, India. Our Company is engaged in the business of manufacturing and selling of menswear and men’s garments under our own brand, through white-labelling, *i.e.*, for other brands such as, Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail, *etc.*, and through online e-commerce platforms. Once we receive the final product from our contract manufacturers we stock the same at our warehouse and further sell to our customers. Accordingly, we wish to utilise a portion of the Net Proceeds towards funding the capital expenditure towards upgradation of exiting warehouse. Our Company has obtained third party quotations for purchasing materials required for upgradation of exiting warehouse, however we are yet to place orders worth ₹ 165.67 lakhs, for purchase of such material. Further, the cost of the materials is based on the quotations received from suppliers and such quotations are subject to change due to various factors such as, change in supplier of material, change in the government regulation and policies, change in management’s view of desirability of the current plans, possible cost overruns, *etc.* Since, our Company has not yet placed orders for the said material, we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same can compel our Company to buy such materials at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

- 41. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 72 of this Prospectus.

- 42. *Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain borrowings availed by our Company and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.***

Our Company intends to utilise a part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain borrowings availed by our Company. The details of the loans identified to be repaid or prepaid using the Net Proceeds have been disclosed in the section titled “*Objects of the Issue*” on page 72 of this Prospectus. While we believe that utilization of Net Proceeds for repayment of secured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company.

- 43. *Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and our Senior Management. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

The growth and success of our Company’s future significantly depends upon the experience of our Promoters and continued services and the management skills of our Senior Management and our Key Managerial Personnel and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel and Senior Management in the past, however, any attrition of our experienced Key Managerial Personnel and Senior Management, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel and Senior Management who leave. In the event we are unable to motivate and retain our Key Managerial Personnel and Senior Management and thereby lose the services of our highly skilled Key Managerial Personnel and Senior Management may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For

further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “*Our Management*” on page 141 of this Prospectus.

44. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.*

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information, kindly refer the chapter titled “*Financial Indebtedness*” beginning on page 193 of this Prospectus.

45. *Our Company has availed certain unsecured loans which may be recalled at any time.*

Our Company has availed certain unsecured loans, which may be recalled at any time. In the event, any of such unsecured lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “*Financial Indebtedness*” on page 193 of this Prospectus.

46. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency, however shall be monitored by our Audit Committee and shall be purely dependent on the discretion of the management and Audit Committee of our Company*

Since the Issue size is less than ₹ 10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. However, pursuant to the Companies Act and SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee, the uses and applications of the Gross Proceeds raised through this Issue. The Audit Committee shall make recommendations to our Board for further action, if necessary. This information will also be published in the interim or annual financial results after review by the Audit Committee and its explanation in the director’s report. The deployment of funds raised through this Issue, is hence, at the discretion of the Audit Committee and the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

47. *Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval.*

Our Company intends to use approximately ₹ 2,665.67 lakhs of the Net Proceeds towards (i) funding of upgradation of warehouse; (ii) prepayment or repayment of certain secured loans availed by our Company; (iii) funding of working capital requirements of our Company. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads, as disclosed in the section titled “*Objects of the Issue*” on page 41. In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure or fund which expenditure cannot be determined with certainty as on the date of this Prospectus. In terms of Section 27 of the Companies Act, 2013 and all other applicable laws, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in this Prospectus, we cannot assure that we will be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations.

Further, our Promoter would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue. Additionally, the requirement on Promoter to provide an exit opportunity to such dissenting shareholders may deter the Promoter from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Prospectus, even if such

variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations

48. *The requirement of funds in relation to the objects of the Issue has not been appraised.*

We intend to use the proceeds of the Issue for the purposes described in the section titled "*Objects of the Issue*" on page 72. The objects of the Issue have not been appraised by any bank or financial institution. These are based on management estimates and current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of the industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

49. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.*

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled "*Dividend Policy*" on page 158 of this Prospectus.

50. *We have not independently verified certain data in this Prospectus.*

We have not independently verified data from the industry and related data contained in this Prospectus. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein 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, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI (LODR) Regulations which will require us to file audited annual and unaudited half yearly results and limited review reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies which may adversely affect the financial position of the Company.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

52. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for*

the Equity Shares.

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. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations 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 our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

53. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all.*

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 issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited due to delay in submission of required documents/ completion of formalities/compliance with required laws by the issuer. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

54. *There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.*

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

55. *The price of the Equity Shares may be highly volatile after the Issue.*

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

56. *You will not be able to sell immediately on the Stock Exchanges any of the Equity Shares you purchase in the Issue.*

The Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within three (03) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the previous requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions

of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline provided under the aforementioned circular.

We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

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

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

58. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.*

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the industries in which we operate;
- adverse media reports about us or the industries in which we operate;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

59. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company*

may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group 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 our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

60. *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 sale of Equity Shares might occur.

EXTERNAL RISK FACTORS

61. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2024 and the Ministry of Finance has notified the Finance Act, 2023 (“**Finance Act**”). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the Personal Data Protection Bill, 2019 (“**PDP Bill**”) was introduced to propose a legal framework governing the processing of personal data. However, the PDP Bill has been withdrawn on August 3, 2022 and the Ministry of Electronics and Information Technology, Government of India (“**MoEIT**”) has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

62. *Our business is substantially affected by prevailing economic conditions in India.*

We perform all of our activities in India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; and
- prevailing national, regional or global economic conditions, including in India's principal export markets.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the industries in which we operate.

63. *Foreign investors are subject to foreign investment restrictions under Indian law.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, 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 or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

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

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

67. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.*

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

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

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

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SECTION IV - INTRODUCTION

THE ISSUE

| PRESENT ISSUE IN TERMS OF THIS PROSPECTUS | |
|--|---|
| Equity Shares Offered through Public Issue⁽¹⁾⁽²⁾ | 46,80,000 Equity Shares aggregating up to ₹ 3,744.00 lakhs*. |
| Out of which: | |
| Issue Reserved for the Market Maker | 2,35,200 Equity Shares aggregating up to ₹ 188.16 Lakhs. |
| Net Issue to the Public | 44,44,800 Equity Shares aggregating up to ₹ 3,555.84 Lakhs. |
| Out of which* | |
| A. QIB Portion ⁽⁴⁾⁽⁵⁾ | Not more than 22,20,800 Equity Shares aggregating up to ₹1,776.64 lakhs |
| i. Anchor Investor Portion | 13,31,200 Equity Shares of ₹ 10 each for cash at a price of ₹ 80 (including a Share premium of ₹70 per Equity Share) per share aggregating to ₹1,064.96 Lakhs |
| ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed) | 8,89,600 Equity Shares of ₹ 10 each for cash at a price of ₹ 80 (including a Share premium of ₹70 per Equity Share) per share aggregating to ₹711.68 Lakhs |
| Of which | |
| (a) Available for allocation to Mutual Funds only (5.03% of the QIB Portion) | 44,800 Equity Shares aggregating up to ₹ 35.84 lakhs |
| (b) Balance of QIB Portion for all QIBs including Mutual Funds | 8,44,800 Equity Shares aggregating up to ₹675.84 lakhs |
| B. Non-Institutional Portion | Not less than 6,67,200 Equity Shares aggregating up to ₹533.76 lakhs |
| C. Retail Portion | Not less than 15,56,800 Equity Shares aggregating up to ₹1,245.44 lakhs |
| Pre and Post – Issue Equity Shares | |
| Equity Shares outstanding prior to the Issue | 1,29,00,000 Equity Shares of face value of ₹10 each |
| Equity Shares outstanding after the Issue | 1,75,80,000 Equity Shares of face value ₹10 each |
| Use of Net Proceeds by our Company | Please see the chapter titled “Objects of the Issue” on page 158 of this Prospectus. |

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

Notes:

- 1) The Issue was made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue was made by our Company in terms of Regulation of 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company was being offered to the public for subscription.
- 2) The Issue was authorized by the Board of Directors vide a resolution passed at its meeting held on April 5, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on April 6, 2024.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we allocated the Net Issue i.e. not more than 49.96% of the Net Issue to QIB and not less than 35.03% of the Net Issue was made available for allocation to Retail Individual Investors and not less than 15.01% of the Net Issue was made available for allocation to Non-institutional bidders.
- 5) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 232 and 236, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 225.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the period from January 12 2024 to February 29, 2024 and for the period from April 1, 2023 to January 11, 2024 and as at and for the Financial Years ended March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 159 of this Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 159 and 197, respectively of this Prospectus.

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Restated Statement of Assets and Liabilities as on 29th February, 2024

| | | (Currency: Rs in Lakhs) | | | | |
|--|------|----------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| | Note | As at 29 February, 2024 | As at 11th January, 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| EQUITY AND LIABILITIES | | | | | | |
| 1) Shareholder's Fund | | | | | | |
| a) | 3 | 1,290.00 | 1,072.78 | 860.26 | 830.84 | 711.94 |
| b) | 4 | 611.97 | - | - | - | - |
| Total Shareholder's Fund | | 1,901.97 | 1,072.78 | 860.26 | 830.84 | 711.94 |
| 2) Non-Current Liabilities | | | | | | |
| a) | 5 | 400.88 | 508.43 | 506.20 | 696.94 | 905.44 |
| | | 400.88 | 508.43 | 506.20 | 696.94 | 905.44 |
| 3) Current Liabilities | | | | | | |
| a) | 6 | 2,460.17 | 3,123.30 | 1,819.06 | 1,723.05 | 1,532.48 |
| b) | 7 | | | | | |
| i) Total outstanding dues of micro enterprises and small enterprises | | - | - | - | - | - |
| ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - | - | - | - |
| c) | 8 | 789.48 | 1,594.71 | 582.94 | 948.97 | 1,714.87 |
| d) | 9 | 173.27 | 80.06 | 155.38 | 132.39 | 25.79 |
| | | 159.36 | 115.02 | - | 1.08 | 0.22 |
| Total current liabilities | | 3,582.27 | 4,913.09 | 2,557.38 | 2,805.49 | 3,273.35 |
| Total equity and liabilities(1+2+3) | | 5,885.13 | 6,494.30 | 3,923.85 | 4,333.27 | 4,890.73 |
| ASSETS | | | | | | |
| 4) Non-current assets | | | | | | |
| a) | 10 | | | | | |
| i) Tangible Asset | | 112.94 | 116.51 | 137.74 | 100.64 | 115.96 |
| ii) Intangible Asset | | - | - | - | - | - |
| iii) Capital Work In Progress | | - | - | - | - | - |
| b) | 11 | 10.39 | 10.15 | 7.74 | 5.09 | 2.83 |
| c) | 12 | 78.97 | 57.95 | 27.78 | 30.16 | 20.87 |
| d) | 13 | 832.38 | 832.38 | 460.61 | 336.41 | 333.46 |
| Total non-current assets | | 1,034.68 | 1,016.99 | 633.86 | 472.30 | 473.12 |
| 5) Current assets | | | | | | |
| a) | 14 | 2,155.08 | 1,885.55 | 1,808.84 | 2,933.73 | 2,272.20 |
| b) | 15 | 2,383.14 | 3,150.72 | 1,166.60 | 573.31 | 1,867.22 |
| c) | 16 | 19.36 | 36.66 | 19.93 | 41.23 | 30.32 |
| d) | 17 | 292.86 | 404.39 | 294.62 | 312.70 | 247.87 |
| | | 4,850.45 | 5,477.32 | 3,289.99 | 3,860.97 | 4,417.61 |
| Total assets (4+5) | | 5,885.13 | 6,494.30 | 3,923.85 | 4,333.27 | 4,890.73 |

Significant accounting policies 1&2

The accompanying notes form an integral part of the financial statements
As per our annexed report of even date

For Agarwal Khetan & Co.
Chartered Accountants
Firm's Registration No. with ICAI:330054E

For and on behalf of the Board
FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

(Ritesh Agarwal)
Partner
Membership No.: 311866

Sailesh Agarwal
Managing Director
DIN:02856973

Sourav Agarwal
Whole Time Director & CFO
DIN: 0642775

Date: 06-04-2024
Place : Kolkata
UDIN : 24311866BKEXTS9319

Sangita Kumari Agarwal
Company Secretary

FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)
CIN:U14101WB2024PLC267500
Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur, Maheshtala, WB - 700141
Restated Statement of Profit and Loss for the period ended 29th February, 2024

(Currency: Rs in Lakhs)

| | Note | For the Period from January 12, 2024 to 29th February 2024 | For the Period from April 1, 2023 to 11th January 2024 | For the Year ended 31 March 2023 | For the Year ended 31 March 2022 | For the Year ended 31 March 2021 |
|---|------|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 1) Revenue | | | | | | |
| a) Revenue from operations | 18 | 2,418.50 | 7,188.74 | 6,960.46 | 5,320.02 | 5,051.04 |
| b) Other Income | 19 | 5.80 | 35.74 | 201.96 | 60.42 | 62.10 |
| Total revenue | | 2,424.30 | 7,224.48 | 7,162.42 | 5,380.44 | 5,113.14 |
| 2) Expenses | | | | | | |
| a) Cost of materials consumed | 20 | 1,488.70 | 4,514.43 | 3,816.52 | 4,542.41 | 3,311.73 |
| b) Other Direct Expenses | 21 | 226.91 | 869.80 | 1,011.77 | 795.04 | 647.88 |
| c) Changes in Inventories of FG & WIP | 22 | 44.33 | 23.81 | 424.48 | 780.96 | 397.28 |
| d) Employee benefits | 23 | 37.84 | 113.53 | 147.12 | 142.73 | 125.86 |
| e) Finance cost | 24 | 53.88 | 287.54 | 298.59 | 249.58 | 258.77 |
| f) Depreciation and amortisation | 25 | 3.88 | 28.98 | 37.01 | 26.55 | 27.53 |
| g) Other expenses | 26 | 499.48 | 1,038.63 | 1,312.38 | 326.66 | 288.55 |
| Total expenses | | 2,266.35 | 6,829.10 | 7,047.87 | 5,302.00 | 5,057.59 |
| 3) Profit / Loss before exceptional item and tax | | 157.94 | 395.37 | 114.55 | 78.44 | 55.55 |
| 4) Exceptional Item | | - | - | - | - | - |
| 5) Profit / (Loss) before Tax | | 157.94 | 395.37 | 114.55 | 78.44 | 55.55 |
| 6) Income tax expense | | | | | | |
| - Current tax | | 41.21 | - | - | - | - |
| - Deferred tax | | 0.25 | 2.41 | 2.64 | 2.27 | 2.83 |
| - Income tax for earlier years | | - | - | - | - | - |
| | | 116.97 | 2.41 | 2.64 | 2.27 | 2.83 |
| 7) Profit/ (loss) for the period after tax | | 116.97 | 397.78 | 117.19 | 80.71 | 58.38 |
| Earnings per equity share (for continuing operation): | | | | | | |
| (1) Basic | | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |
| (2) Diluted | | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |

Significant accounting policies 1&2

The accompanying notes form an integral part of the financial statements
As per our annexed report of even date

For Agarwal Khetan & Co.
Chartered Accountants
Firm's Registration No. with ICAI:330054E

For and on behalf of the Board
FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

(Ritesh Agarwal)
Partner
Membership No.: 311866
Date: 06-04-2024
Place : Kolkata
UDIN : 24311866BKEXTS9319
:

Sailesh Agarwal
Managing Director
DIN: 02856973

Sourav Agarwal
Whole Time Director & CFO
DIN: 0642775

Sangita Kumari Agarwa
Company Secretary

(Currency: Rs in Lakhs)

| | For the Period from January 12, 2024 to 29th February 2024 | For the Period from April 1, 2023 to 11th January, 2024 | For the Year Ended 31st March 2023 | For the Year Ended 31st March, 2022 | For the Year Ended 31st March, 2021 |
|--|--|---|---|---|---|
| A. CASH FLOW FROM OPERATION ACTIVITIES | | | | | |
| Net Profit/(Loss) before Tax and Extraordinary Items | 157.94 | 395.37 | 114.55 | 78.44 | 55.55 |
| Adjustments for: | | | | | |
| Finance Cost | 53.88 | 287.54 | 298.59 | 249.58 | 258.77 |
| Depreciation | 3.88 | 28.98 | 37.01 | 26.55 | 27.53 |
| Liability Written Back | - | - | - | - | - |
| Bad Debt | - | - | - | - | - |
| Operating Profit/(Loss) before Working Capital Changes | 215.70 | 711.89 | 450.15 | 354.57 | 341.84 |
| Adjustments for: | | | | | |
| (Increase)/Decrease in Trade Receivables | 767.58 - | 1,984.11 - | 593.29 | 1,293.91 - | 241.53 |
| (Increase)/Decrease in Long-term Loans and Advances | - 21.02 - | 30.18 | 2.38 - | 9.29 | 3.33 |
| (Increase)/Decrease in Other Non Current Assets | - - | 371.77 - | 124.20 - | 2.95 | 10.71 |
| (Increase)/Decrease in Short-term Loans and Advances | 111.53 - | 109.77 | 18.08 - | 64.83 - | 70.60 |
| Increase/(Decrease) in Trade payables | - 805.24 | 1,011.77 - | 366.03 - | 765.89 | 525.05 |
| Increase/(Decrease) in Short Term Provisions | 44.34 | 115.02 - | 1.08 | 0.85 - | 22.19 |
| (Increase)/Decrease in Inventory | - 269.53 - | 76.72 | 1,124.90 - | 661.54 - | 279.38 |
| Increase/(Decrease) in Other Current Liabilities | 93.21 - | 75.33 | 22.99 | 106.60 - | 13.03 |
| | - 79.13 - | 1,521.08 | 83.75 - | 103.13 - | 87.65 |
| Cash Generated from Operations | 136.57 - | 809.19 | 533.90 | 251.44 | 254.19 |
| Adjustment for: | | | | | |
| Income taxes paid (net) | - | - | - | - | - |
| NET CASH GENERATED/(USED IN) OPERATING ACTIVITIES (A) | 136.57 - | 809.19 | 533.90 | 251.44 | 254.19 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| Purchase of Property, Plant & Equipment | - 0.30 - | 7.75 - | 74.11 - | 11.23 - | 18.76 |
| Increase/(Decrease) in Intangible Assets | - | - | - | - | - |
| Increase/(Decrease) in CWIP | - | - | - | - | - |
| NET CASH GENERATED /(USED IN) INVESTING ACTIVITIES (B) | - 0.30 - | 7.75 - | 74.11 - | 11.23 - | 18.76 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| Increase/ (Decrease) in Short Term Borrowings | - 663.13 | 1,304.24 | 96.01 | 190.57 | 308.06 |
| Increase/ (Decrease) in Long Term Borrowings | - 107.56 | 2.23 - | 190.73 - | 208.50 - | 326.13 |
| Changes in Capital | 671.01 - | 185.27 - | 87.79 | 38.21 | 59.85 |
| Finance Cost | - 53.88 - | 287.54 - | 298.59 - | 249.58 - | 258.77 |
| NET CASH GENERATED /(USED IN) FINANCING ACTIVITIES (C) | - 153.56 | 833.67 - | 481.10 - | 229.30 - | 216.98 |
| NET INCREASE/(DECREASE) IN CASH DURING THE YEAR (A+B+C) | - 17.29 | 16.73 - | 21.31 | 10.92 | 18.45 |
| Cash & Cash Equivalents at the beginning of the year | 36.66 | 19.93 | 41.24 | 30.32 | 11.87 |
| Cash & Cash Equivalents at the end of the year | 19.36 | 36.66 | 19.93 | 41.24 | 30.32 |

In terms of our report of even date

For Agarwal Khetan & Co.

Chartered Accountants

Firm's Registration No. with ICAI:330054E

For and on behalf of the Board

FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

(Ritesh Agarwal)

Partner

Membership No.: 311866

Date: 06-04-2024

Place : Kolkata

UDIN : 24311866BKEXTS9319

:

Sailesh Agarwal Sourav Agarwal

Managing Director Whole Time Director & CFO

DIN: 02856973 DIN: 0642775

Sangita Kumari Agar

Company Secretary

GENERAL INFORMATION

Our Company was originally formed as a partnership firm under the name and style of 'M/s. Forcas Apparels' pursuant to a deed of partnership dated April 9, 2010. Subsequently, pursuant to a resolution dated October 3, 2023 passed at the meeting of partners of M/s. Forcas Apparels, the partnership firm was converted into a private limited company under the Companies Act, 2013 under the name and style of 'Forcas Studio Private Limited' and a certificate of incorporation dated January 12, 2024 was issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on February 20, 2024, and by the Shareholders at an Extra-Ordinary General Meeting held on February 23, 2024, our Company was converted into a public limited company and consequently the name of our Company was changed to 'Forcas Studio Limited' and a fresh certificate of incorporation dated April 5, 2024 was issued by Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U14101WB2024PLC267500.

Registered Office of our Company

Forcas Studio Limited

Tara Maa Tower, B3-71C/161 B B T Road,
Vivekanandapur, South 24 Parganas,
Thakurpukur Mahestola - 700 141,
West Bengal, India.

Telephone: +91 332 950 1056

Facsimile: N.A.

E-mail: info@forcasstudio.in

Investor grievance id: investors@forcasstudio.in

Website: www.focasstudio.in

CIN: U14101WB2024PLC267500

Corporate Office of our Company

As on date of this Prospectus, our Company does not have a corporate office.

Registrar of Companies

Our Company is registered with the Registrar of Companies situated at the following address:

Registrar of Companies, West Bengal at Kolkata

Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4,
A.J.C.B. Road, Kolkata- 700 020,
West Bengal, India.

Telephone: +91 332 287 7390

Facsimile: +91 332 290 3795

Website: roc.kolkata@mca.gov.in

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Prospectus:

| S. No. | Name | Designation | DIN | Address |
|--------|----------------------|---|----------|--|
| 1 | Sailesh Agarwal | Managing Director | 02856973 | 23J Radhamadhab Dutta Garden Lane, Belehata, Kolkata - 700 010, West Bengal, India. |
| 2 | Sourav Agarwal | Whole-time Director and Chief Financial Officer | 06462775 | Neermani Apartment, 23J Radhamadhab Dutta Garden Lane, Belehata, Kolkata – 700 010, West Bengal, India |
| 3 | Altab Uddin Kazi | Independent Director | 10435916 | 53/A Kazi Para Lane, Haora Corporation, Sibpur, Howrah - 711 102, West Bengal, India |
| 4 | Hitu Gambhir Mahajan | Independent Director | 07043618 | Block-Nil, House 33B, 1st Floor, Malviya Nagar, Delhi - 110 017, India |
| 5 | Amit Rathi | Independent Director | 07039219 | 54/10 D.C. De Road, Tangra, Kolkata – 700015, West Bengal, India |

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

Chief Financial Officer

Sourav Agarwal, is the Whole-time Director and Chief Financial Officer of our Company. His contact details are set forth hereunder.

Tara Maa Tower, B3-71C/161 BBT Road,
Vivekanandapur, South 24 Parganas,
Thakurpukur Mahestola - 700 141,
West Bengal, India

Telephone: +91 332 950 1056

Facsimile: N.A.

E-mail: cfo@forcasstudio.in

Company Secretary and Compliance Officer

Sangita Kumari Agarwal, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

Tara Maa Tower, B3-71C/161 BBT Road,
Vivekanandapur, South 24 Parganas,
Thakurpukur Mahestola -700 141,
West Bengal, India

Telephone: +91 332 950 1056

Facsimile: N.A.

E-mail: cs@forcasstudio.in

Investor grievances

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

All grievances relating to the Issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

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

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

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

Book Running Lead Manager

Horizon Management Private Limited

19 R N Mukherjee Road,
Main Building, 2nd Floor,
Kolkata - 700 001,

West Bengal, India.

Telephone: +91 33 4600 0607

Facsimile: +91 33 4600 0607

E-mail: smeipo@horizon.net.co

Website: www.horizonmanagement.in

Investor grievance: investor.relations@horizon.net.co

Contact Person: Manav Goenka

SEBI Registration Number: INM000012926

Registrar to the Issue

MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area,

Phase-II, New Delhi- 110 020,

Delhi, India.

Telephone: +91 112 638 7281/83, 114 132 0335

Facsimile: +91 112 638 7384

E-mail: ipo@masserv.com

Website: www.masserv.com

Investor grievance: investor@masserv.com

Contact Person: N. C. Pal

SEBI Registration No.: INR000000049

Legal Advisor to the Issue

T&S Law

Unit Number 15, Logix Technova,

Block B, Sector 132, Noida – 201 304,

Uttar Pradesh, India.

Telephone: +91 995 611 4287

Facsimile: N.A.

Email: info@tandslaw.in

Contact Person: Sagarika Kapoor

Statutory and Peer Review Auditor of our Company

Agarwal Khetan & Co.,

Chartered Accountants,

1, Crooked Lane, Room No. 316,

Kolkata – 700 069, West Bengal, India.

Telephone: +91 767 998 4582

Email: agarwalkhetan@gmail.com

Contact Person: Ritesh Agarwal

Membership No.: 311866

Firm Registration No.: 330054E

Peer Review Certificate No.: 014857

Bankers to our Company

ICICI Bank Limited

GP, M2 and N2, TCG OMEGA TOWER,

EP Block, Sec V Salt Lake City, Kolkata -700 091,

West Bengal, India.

Telephone: +91 33 4060 2720

Facsimile: N.A.

Email ID: nirbhaya.kumar@icicibank.com

Website: www.icicibank.com

CIN: L65190GJ1994PLC021012

Contact Person: Nirbhaya Singh

The Hong Kong and Shanghai Banking Corporation Limited

31 BBD Bagh, Dalhousie Square,

Kolkata -700 001

West Bengal, India.

Telephone: +91 983 006 8984

Facsimile: N.A.

Email ID: jatin.kharbanda@hsbc.co.in

Website: www.hsbc.com.hk

CIN: F00947

Contact Person: Jatin Kharbanda

Banker to the Issue/ Refund Bank/ Sponsor Bank**Axis Bank Limited**

Corporate Centre Gr Floor CTS No.271

Andheri Kurla Road Andheri (East)

Mumbai, 400059

Maharashtra, India.

Telephone: +91 222 822 5663

Facsimile: N.A.

Email ID: andherieast.branchhead@axisbank.com

Website: www.axisbank.com

Contact Person: Dinesh Swargiya

SEBI Registration Number: INBI00000017

Syndicate Member

Horizon Management Private Limited, the Book Running Lead Manager shall be acting as the Syndicate Member for this Issue.

Designated Intermediaries***Self-Certified Syndicate Banks***

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

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

SCSBs enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at www.nseindia.com as updated from time to time.

Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of National Stock Exchange of India Limited at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm as updated from time to time.

Collecting Depository Participants

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

IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Issue.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

Green Shoe Option

No Green Shoe Option is applicable for this Issue.

Brokers to the Issue

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

Debenture Trustees

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

Monitoring Agency

As the Net Proceeds of the Issue will be less than ₹10,000 lacs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Expert Opinion

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

Our Company has received written consent dated April 6, 2024, from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated April 6, 2024 on our Restated Financial Information; and (ii) its report dated April 6, 2024, on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Inter-se Allocation of Responsibilities

Horizon Management Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

Filing

The Draft Red Herring Prospectus was not be filed with SEBI, nor did SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to SEBI Master Circular and pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of the Red Herring Prospectus was furnished to the Board. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus and this Prospectus have been filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Red Herring Prospectus and this Prospectus, was filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts and documents and this Prospectus was also filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Changes in Auditors during the last three years

Our Company was incorporated on January 12, 2024, and there has been no change in the auditors of our Company since incorporation.

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of this Red Herring Prospectus within the Price Band. The Price Band was determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of Business Standard, an English national newspaper, all editions of Business Standard, a Hindi national newspaper and Bengali editions of Sukhabar, a regional language newspaper (Bengali, being the regional language of West Bengal, where our Registered Office is situated) at least two working days prior to the Bid/Issue Opening date. The Issue Price was determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process were-

- Our Company;
- The Book Running Lead Manager, in this case being Horizon Management Private Limited;
- The Syndicate Member(s), being the Book Running Lead Manager;
- The Registrar to the Issue, in this case being MAS Services Limited;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue was made through the Book Building Process wherein 49.96% of the Net Issue was made available for allocation on a proportionate basis to QIBs. Our Company in consultation with the BRLM allocated 59.94% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third was reserved for domestic Mutual Funds. 5.03% of the QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds. Further, not less than 15.01% of the Net Issue was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.03% of the Net Issue was made available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders could participate in the Issue through an ASBA process by providing details of their respective bank account which were blocked by the SCSBs. All Bidders were mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, other than Anchor Investors were mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors were not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders were not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Anchor Investors are allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Bidders could revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue were required to use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue could use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “**Issue Procedure**” beginning on page 236 of this Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 236 of this Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

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

Steps that were required to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “**Issue Procedure**” on page 236 of this Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.

- Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form;

Bid/Issue Program:

| Event | Indicative Dates |
|---|--|
| Anchor Portion Issue Opens/Closes On* | Friday, August 16, 2024 |
| Bid/Issue Opening Date | Monday, August 19, 2024 |
| Bid/Issue Closing Date | Wednesday, August 21, 2024 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or before Thursday, August 22, 2024 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or before Friday, August 23, 2024 |
| Credit of Equity Shares to Demat accounts of Allottees | On or before Friday, August 23, 2024 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before Monday, August 26, 2024 |

The Anchor Investor Bid/Issue Period was one Working Day prior to the Bid/ Issue Opening Date.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) 'T' being issue closing date. Our Company shall follow the timelines provided under the aforementioned circular.

Bid Cum Application Forms and any revisions to the same was accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms were accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders were advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bid Cum Application Forms were received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that could not be uploaded were not considered for allocation under this Issue. Applications were accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants were not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants could revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

WITHDRAWAL OF THE ISSUE

If our Company withdraws 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 BRLM, 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 withdraws the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring 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 approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

UNDERWRITING AGREEMENT

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriters BRLM.

Pursuant to the terms of the Underwriting Agreement dated August 8, 2024 entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

| Details of the Underwriters | No. of shares underwritten* | Amount Underwritten (₹ in Lakh) | % of the total Issue Size Underwritten |
|---|------------------------------------|--|---|
| Horizon Management Private Limited 19 R N Mukherjee Road, Main Building, 2 nd Floor, Kolkata - 700 001, West Bengal, India. Telephone: +91 334 600 0607 Facsimile: +91 334 600 0607 E-mail: smeipo@horizon.net.co | 46,80,000 | 3,744.00# | 100.00% |

*Includes 2,35,200 Equity shares of ₹10.00 each for cash of ₹ 80/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

#Subject to finalisation of Basis of Allotment

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into a Market Making Agreement dated August 8, 2024, with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Giriraj Stock Broking Private Limited
 HMP House, 4th Floor, Suite No 421A, 4,
 Fairlie Place, Kolkata - 700001,
 West Bengal, India
Telephone: +91 (033) 4005 4519
Email: girirajstock@yahoo.com
Contact Person: Mr. Vinay Jajodia
SEBI Registration number: INZ000212638

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making) dated August 8, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

Giriraj Stock Broking Private Limited, registered with EMERGE Platform of National Stock Exchange of India Limited acted as the Market Maker and 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 any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. 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 2,35,200 Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 2,35,200 Equity Shares 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 reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.
10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

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

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

14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

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) |
|------------------------|---|--|
| Upto ₹20 Crore | 25% | 24% |
| ₹20 Crore to ₹50 Crore | 20% | 19% |
| ₹50 Crore to ₹80 Crore | 15% | 14% |
| Above ₹80 Crore | 12% | 11% |

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

CAPITAL STRUCTURE

The share capital of our Company as on date of this Prospectus is set forth below:

(₹ in lakhs, except share data)

| Sr. No. | Particulars | Aggregate Value at Nominal Value | Aggregate Value at Issue Price* |
|---------|---|----------------------------------|---------------------------------|
| A. | Authorised Share Capital out of which : | | |
| | 2,00,00,000 Equity Shares having face value of ₹ 10/- each | 2,000.00 | - |
| B. | Issued, Subscribed and Paid-up Share Capital before the Issue out of which | | |
| | 1,29,00,000 Equity Shares having face value of ₹ 10/- each | 1,290.00 | - |
| C. | Present Issue in terms of this Prospectus⁽¹⁾ | | |
| | Issue of 46,80,000 Equity Shares* of ₹ 10/- each at a price of ₹ 80 per Equity Share | 468.00 | 3,744.00 |
| | Which comprises: | | |
| | 2,35,200 Equity Shares of ₹ 10/- each at a price of ₹ 80 per Equity Share reserved as Market Maker Portion | 23.52 | 118.16 |
| | Net Issue to Public of 44,44,800 Equity Shares of ₹ 10/- each at a price of ₹ 80 per Equity Share to the Public | 444.48 | 3,555.84 |
| | Of which⁽²⁾: | | |
| | At least 15,56,800 Equity Shares aggregating Rs. 1,245.44 were made available for allocation to Retail Individual Investors | 155.68 | 1,245.44 |
| | At least 6,67,200 Equity Shares aggregating Rs. 533.76 were made available for allocation to Non-Institutional Investors | 66.72 | 533.76 |
| | Not more than 22,20,800 Equity Shares aggregating Rs. 1,776.64 were made available for allocation to Qualified Institutional Buyers | 222.08 | 1,776.64 |
| D. | Paid-up Share Capital after the Issue | | |
| | 1,75,80,000 Equity Shares of ₹ 10/- each | 1,758.00 | |
| E. | Securities Premium Account | | |
| | Before the Issue | 495.00 | |
| | After the Issue | 3,771.00 | |

⁽¹⁾ The present Issue was authorized pursuant to a resolution of our Board dated April 5, 2024 and pursuant to a special resolution of our Shareholders at an Extraordinary General Meeting dated April 6, 2024, under Section 62(1)(c) of the Companies Act, 2013.

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

Classes of Shares

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

Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was ₹ 10,00,00,000 (Rupees ten crores only) divided into 1,00,00,000 Equity Shares of ₹ 10/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

| Date of Shareholder's Meeting | Particulars of Change | | AGM/EGM |
|-------------------------------|--|--|---------|
| | From | To | |
| January 22, 2024 | ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10 each | ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each | EGM |

NOTES TO THE CAPITAL STRUCTURE

1) **Share Capital History of our Company:**

Equity Share Capital

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

| Date of Allotment | No. of Equity Shares | Face value (₹) | Issue Price (₹) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative paid -up Capital (₹) |
|-------------------|----------------------|----------------|-----------------|-------------------------|--|------------------------------------|---------------------------------|
| On Incorporation* | 95,18,400 | 10 | 10 | Cash | Subscription to Memorandum of Association ⁽¹⁾ | 95,18,400 | 9,51,84,000 |
| January 27, 2024 | 17,31,600 | 10 | 10 | Cash | Preferential Allotment ⁽²⁾ | 1,12,50,000 | 11,25,00,000 |
| February 20, 2024 | 16,50,000 | 10 | 40 | Cash | Preferential Allotment ⁽³⁾ | 1,29,00,000 | 12,90,00,000 |

*The MoA of our Company was signed on January 12, 2024, being the date of incorporation of our Company.

⁽¹⁾ Our Company was originally formed as a partnership firm under the name 'M/s. Forcas Apparels' pursuant to a deed of partnership dated April 9, 2010 executed between partners Sailesh Agarwal and Sourav Agarwal (Collectively, "Partners"). The Partners contributed to share capital of our Company in the proportion of the shares contributed by them in 'Forcas Apparels'. Following are the details of Equity Shares issued to the Partners in our Company, in accordance with their capital contribution in M/s. Forcas Apparels: Subscription to 95,18,400 Equity Shares to the MoA for the total of Equity Shares by Sourav Agarwal (9,51,840); and Sailesh Agarwal (85,66,560).

⁽²⁾ Preferential Allotment of 17,31,600 Equity Shares to following persons/ entities:

| S No. | Name | No. of Shares |
|-------|-------------------------------|------------------|
| 1 | Sailesh Agarwal | 9,73,440 |
| 2 | Sourav Agarwal | 1,08,160 |
| 4 | Rahul Sureka | 42,500 |
| 4 | Sweta Sureka | 42,500 |
| 5 | Ram Chandra Sureka | 42,500 |
| 6 | Saroj Sureka | 42,500 |
| 7 | Ram Chandra Rahul Chandra HUF | 40,000 |
| 8 | Rahul Sureka HUF | 40,000 |
| 9 | Ravi Sarda | 62,500 |
| 10 | Preeti Sarda | 62,500 |
| 11 | Indu Sarda | 62,500 |
| 12 | Ravi Sarda HUF | 62,500 |
| 13 | Kamal Saraf | 50,000 |
| 14 | Ankita Bothra | 1,00,000 |
| | Total | 17,31,600 |

⁽³⁾ Preferential Allotment of 16,50,000 Equity Shares to following persons/ entities:

| S. No. | Name | No. of Shares |
|--------|------------------------------|---------------|
| 1 | Lalit Dua | 1,25,000 |
| 2 | Shweta Sethi | 1,00,000 |
| 3 | Shahina Shafaque | 30,000 |
| 4 | Abhishek Chokhani HUF | 95,000 |
| 5 | Anil Todi | 25,000 |
| 6 | Savio Gerard Pinto | 25,000 |
| 7 | Gaurav Pasari | 25,000 |
| 8 | Ashish Kajaria | 25,000 |
| 9 | Neha Bagla | 2,50,000 |
| 10 | Rachna Suman Shaw | 2,50,000 |
| 11 | Sunil Bhandari | 80,000 |
| 12 | Akhilesh Kumar Agarwal | 80,000 |
| 13 | Vyaparik Prathisthan Limited | 25,000 |

| <i>S. No.</i> | <i>Name</i> | <i>No. of Shares</i> |
|---------------|---------------------|----------------------|
| 14 | Ashok Mohta | 56,500 |
| 15 | Manoj Mohta | 56,500 |
| 16 | Rajesh Mohta | 56,000 |
| 17 | Sharda Mohta | 56,000 |
| 18 | Mamta Chitlangia | 50,000 |
| 19 | Amit Manocha | 50,000 |
| 20 | Pradip Kumar Sureka | 12,500 |
| 21 | Sweta Sureka | 12,500 |
| 22 | Priyanka Mondal | 15,000 |
| 23 | Bishal Jain | 10,000 |
| 24 | Saroj Kedia | 20,000 |
| 25 | Sonia Kedia | 20,000 |
| 26 | Kamal Daga | 1,00,000 |
| | Total | 16,50,000 |

2) **Preference Share capital history of our Company**

Our Company does not have any preference share capital as on the date of this Prospectus.

3) **Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:**

As on date of this Prospectus, our Company has not issued equity shares for consideration other than cash.

- 4) As of date of this Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 5) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 6) Except as disclosed in “*Notes to the Capital Structure - Share Capital History of our Company*”, we have not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Prospectus.

7) Shareholding Pattern of our Company

The table below represents the shareholding pattern of our Company as on the date of this Prospectus:

| Category (I) | Category of Shareholder (II) | No. of Shareholders (III) | No. of fully paid-up Equity Shares held (IV) | No. of Partly paid-up Equity Shares held (V) | No. of shares under lying depository receipts (VI) | Total No. of shares held (VII) = (IV)+(V)+ ++VI) | Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | No. of Shares underlying outstanding convertible securities (including warrants) | Shareholding as a % assuming full conversion of convertible securities No. (a) | No. of locked-in Equity Shares (XII) | | Number of Equity Shares pledged or otherwise encumbered (XIII) | | No. of Equity Shares held in dematerialized form (XIV) |
|--------------|--------------------------------------|---------------------------|--|--|--|--|--|---|--------------------|-------------------------|--|--|--------------------------------------|---------------------------------|--|---------------------------------|--|
| | | | | | | | | Class (Equity) | Total | Total as a % of (A+B+C) | | | No. (a) | As a % of total shares held (b) | No. (a) | As a % of total shares held (b) | |
| (A) | Promoters | 2 | 1,06,00,000 | - | - | 1,06,00,000 | 82.17 | 1,06,00,000 | 1,06,00,000 | 82.17 | - | - | - | - | - | - | 1,06,00,000 |
| (B) | Public | 39 | 23,00,000 | - | - | 23,00,000 | 17.83 | 23,00,000 | 23,00,000 | 17.83 | - | - | - | - | - | - | 23,00,000 |
| (C) | Non Promoter- Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C1) | Shares underlying depository receipt | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C2) | Shares held by employee trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | | 41 | 1,29,00,000 | - | - | 1,29,00,000 | 100.00 | 1,29,00,000 | 1,29,00,000 | 100.00 | - | - | - | - | - | - | 1,29,00,000 |

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares. The Equity Shares held by our Promoters are in dematerialized form. As on date of this Prospectus, none of the members of our Promoter Group hold shareholding in our Company.

8) **Other details of shareholding of our Company:**

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Prospectus:

| Sr. No. | Particulars | No. of Equity Shares | % of Shares to Pre – Issue Equity Share Capital |
|--------------|-------------------|----------------------|---|
| 1. | Sailesh Agarwal | 95,40,000 | 73.95 |
| 2. | Sourav Agarwal | 10,60,000 | 8.22 |
| 3. | Neha Bagla | 2,50,000 | 1.94 |
| 4. | Rachna Suman Shaw | 2,50,000 | 1.94 |
| Total | | 1,11,00,000 | 86.05 |

- b) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Prospectus:

| Sr. No. | Particulars | No. of Equity Shares | % of Shares to Pre – Issue Equity Share Capital |
|--------------|-------------------|----------------------|---|
| 1. | Sailesh Agarwal | 95,40,000 | 73.95 |
| 2. | Sourav Agarwal | 10,60,000 | 8.22 |
| 3. | Neha Bagla | 2,50,000 | 1.94 |
| 4. | Rachna Suman Shaw | 2,50,000 | 1.94 |
| Total | | 1,11,00,000 | 86.05 |

- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Prospectus:

Our Company was originally formed as a partnership firm under the name '*M/s. Forcas Apparels*' pursuant to a deed of partnership dated April 9, 2010. Subsequently, pursuant to a resolution dated October 3, 2023 passed at the meeting of partners of M/s. Forcas Apparels, the partnership firm was converted into a private limited company under the Companies Act, 2013 with the name '*Forcas Studio Private Limited*' and a certificate of incorporation dated January 12, 2024 was issued by the Registrar of Companies, Central Registration Centre.

Therefore, the above disclosure requirement is not applicable to our Company.

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Prospectus:

Our Company was originally formed as a partnership firm under the name '*M/s. Forcas Apparels*' pursuant to a deed of partnership dated April 9, 2010. Subsequently, pursuant to a resolution dated October 3, 2023 passed at the meeting of partners of M/s. Forcas Apparels, the partnership firm was converted into a private limited company under the Companies Act, 2013 with the name '*Forcas Studio Private Limited*' and a certificate of incorporation dated January 12, 2024 was issued by the Registrar of Companies, Central Registration Centre.

Therefore, the above disclosure requirement is not applicable to our Company.

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of this Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.

- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Prospectus.

- 9) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the 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 may deem fit, if an opportunity

of such nature is determined by its Board of Directors to be in the interest of our Company.

10) Shareholding of our Promoters

Set forth below are the details of the build-up of shareholding of our Promoters:

| Date of Allotment and made fully paid up/ Transfer | Nature of Transaction | Consideration | No. of Equity Shares | F.V (in Rs.) | Issue / Transfer Price (in Rs.) | Cumulative no. of Equity Shares | % of Pre-Issue Equity Paid Up Capital | % of Post-Issue Equity Paid Up Capital | No. of Shares Pledged | % of shares pledged |
|--|------------------------|---------------|----------------------|--------------|---------------------------------|---------------------------------|---------------------------------------|--|-----------------------|---------------------|
| Sailesh Agarwal | | | | | | | | | | |
| January 12, 2024 | On incorporation | Cash | 85,66,560 | 10 | 10 | 85,66,560 | 66.41 | 48.73% | - | - |
| January 27, 2024 | Preferential Allotment | Cash | 9,73,440 | 10 | 10 | 95,40,000 | 7.55 | 5.54% | - | - |
| | Total | | 95,40,000 | | | | 73.95% | 54.27% | | |
| Sourav Agarwal | | | | | | | | | | |
| January 12, 2024 | On incorporation | Cash | 9,51,840 | 10 | 10 | 9,51,840 | 7.38 | 5.41% | - | - |
| January 27, 2024 | Preferential Allotment | Cash | 1,08,160 | 10 | 10 | 10,60,000 | 0.84 | 0.62% | - | - |
| | Total | | 10,60,000 | | | | 8.22% | 6.03% | | |

11) As on the date of this Prospectus, the Company has forty-One (41) members/shareholders.

12) The details of the Shareholding of our Promoters as on the date of this Prospectus are set forth in the table below:

| S. No. | Particulars | No. of Equity Shares | As a % of Pre-Issue Capital | No. of Equity Shares | As a % of Post Issue Capital |
|------------------|------------------|----------------------|-----------------------------|----------------------|------------------------------|
| Promoters | | | | | |
| 1. | Sailesh Agarwal | 95,40,000 | 73.95 | 95,40,000 | 54.27 |
| 2. | Sourav Agarwal | 10,60,000 | 8.22 | 10,60,000 | 6.03 |
| | Total – A | 1,06,00,000 | 82.17 | 1,06,00,000 | 60.30 |

As on date of this Prospectus, none of the members of our Promoter Group hold any shareholding in our Company.

13) Our Promoters, Promoters' Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Prospectus is filed with Stock Exchange.

14) There are no financing arrangements wherein the Promoters, Promoters' Group, the Directors of our Company and their relatives, have 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 (06) months immediately preceding the date of filing of this Prospectus.

15) Promoter's Contribution and other Lock-In details:

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoter shall be locked in for a period of three years from the date of Allotment ("Minimum Promoter's Contribution"), and the Promoter's shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The lock-in of the Minimum Promoter's Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter's Contribution:

| Number of Equity Shares locked-in ^{*(1)(2)(3)} | Nature of Allotment / Transfer | Date of Allotment and Date when made fully paid-up | Face value (in ₹) | Issue / Acquisition Price per Equity Share (in ₹) | Nature of consideration (cash / other than cash) | % of fully diluted post- Issue paid-up capital | Period of lock-in |
|---|--------------------------------------|--|-------------------|---|--|--|-------------------|
| Sailesh Agarwal | | | | | | | |
| 35,50,000* | Upon conversion of firm into Company | January 12, 2024 | 10 | 10 | Other than cash upon conversion of firm into company | 20.19% | August 31, 2027 |
| TOTAL | 35,50,000 | | | | | 20.19% | |

* Subject to finalisation of Basis of Allotment. Share acquired upon conversion of partnership firm into Company on January 12, 2024.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoters are in dematerialized form.

For details on the build-up of the Equity Share capital held by our Promoters, see “**Details of the Build-up of our Promoter’s shareholding**” on page 68.

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

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

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum Promoter’s contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoters upon conversion of a partnership firm;
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoter’s Contribution subject to lock-in.

Our Company has been formed by the conversion of a partnership firm into a company in the past one year and thus, Equity Shares have been issued to our Promoters upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoter’s Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of the Draft Prospectus till the date of commencement of lock in period as stated in this Prospectus.

Other than the Equity Shares locked-in as Promoter’s Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter’s Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

Other requirements in respect of ‘lock-in’

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be Transfer to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be Transfer to and amongst Promoters / members of the Promoter Group or to a new promoters or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- 16) Our Company, our Promoters, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 17) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 18) There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Prospectus.
- 19) No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
- 20) There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 21) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.
- 22) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 23) There were no transactions in Equity Shares made by our Promoters and the Promoter Group during the period between the date of filing the Draft Red Herring Prospectus and the date of closure of the Issue, which were required to be reported to the Stock Exchanges.
- 24) All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus.
- 25) As on the date of this Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- 26) Our Promoters and the members of our Promoter Group did not participate in the Issue.
- 27) Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

| Sr. No. | Name of the Shareholders | Pre-Issue | | Post – Issue* | |
|--------------|--------------------------|-------------------------|-------------------------------------|-------------------------|--------------------------------------|
| | | Number of Equity Shares | % of Pre-Issue Equity Share Capital | Number of Equity Shares | % of Post-Issue Equity Share Capital |
| 1. | Sailesh Agarwal | 95,40,000 | 73.95 | 95,40,000 | 54.27 |
| 2. | Sourav Agarwal | 10,60,000 | 8.22 | 10,60,000 | 6.03 |
| Total | | 1,06,00,000 | 82.17 | 1,06,00,000 | 60.30 |

**Subject to finalization of Basis of Allotment*

- 28) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 29) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “**Issue Procedure**” beginning on page 236 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 30) An investor could not make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 31) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 32) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 33) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 34) As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

OBJECTS OF THE ISSUE

We intend to utilize the Proceeds of the Issue, after deducting the Issue related expenses, as estimated to be ₹ 3,509.00 lacs* (the “**Net Proceeds**”).

**Subject to finalization of Basis of Allotment*

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

1. Funding of upgradation of warehouse;
2. Prepayment or repayment of certain secured loans availed by our Company;
3. Funding of working capital requirements of our Company;
4. General Corporate Purposes.

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

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

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

Issue Proceeds

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

| Particulars | Estimated amount⁽¹⁾ |
|-------------------------------|---------------------------------------|
| Gross Proceeds from the Issue | 3,744.00 |
| (Less) Issue related expenses | 235.00 |
| Net Proceeds | 3,509.00 |

**Subject to finalization of Basis of Allotment*

Requirement of Funds and Utilization of Net Proceeds

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

| Sr. No. | Particulars | Estimated amount |
|----------------|---|-------------------------|
| 1. | Funding of upgradation of warehouse | 165.67 |
| 2. | Prepayment or repayment of all or a portion of certain loans availed by our Company | 1,300.00 |
| 3. | Funding of working capital requirements of our Company | 1,200.00 |
| 4. | General corporate purposes ⁽¹⁾ | 843.33 |

⁽¹⁾ The Amount utilised for general corporate purposes constitutes 22.52% of the Gross Proceeds of the Issue being less than 25% of the Gross Proceeds of the Issue.

**Subject to finalization of Basis of Allotment*

Schedule of implementation

We propose to deploy the Net Proceeds towards the aforesaid Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

| Sr. No. | Particulars | Total Estimated Cost | Amount to be funded from the Net Proceeds | Amount to be funded from internal accruals | Estimated Utilisation of Net Proceeds |
|----------------|--------------------|-----------------------------|--|---|--|
| | | | | | Fiscal 2025 |

| Sr. No. | Particulars | Total Estimated Cost | Amount to be funded from the Net Proceeds | Amount to be funded from internal accruals | Estimated Utilisation of Net Proceeds |
|---------|---|----------------------|---|--|---------------------------------------|
| 1. | Funding of upgradation of warehouse | 165.67 | 165.67 | Nil | 165.67 |
| 2. | Prepayment or repayment of certain secured loans availed by our Company | 1,300.00 | 1,300.00 | Nil | 1,300.00 |
| 3. | Funding of working capital requirements of our Company | 6,173.71 | 1,200.00 | 4,973.71* | 1,200.00 |
| 4. | General corporate purposes ⁽¹⁾ | 843.33 | 843.33 | Nil | 843.33 |

¹Our Company shall also fund the incremental working capital requirements by availing loan facilities.

* Internal accruals and borrowings.

¹Subject to finalization of Basis of Allotment

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions competitive environment and interest or exchange rate fluctuations, changes in design and configuration of the proposed manufacturing units, increase in input costs of construction materials and labour costs, logistics and transport costs incremental preoperative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, working capital margin, regulatory costs, environmental factors and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details see “Risk Factor – Risk Factor 47 - Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval” on page 40.

The fund requirements mentioned above upgradation of warehouse and purchase of machineries are based on the internal management estimates of our Company and quotation received from third parties, and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. For further details see “Risk Factors – Risk Factor 41 We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance” on page 39.

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. In view of above, we confirm that, with respect to the Objects, our Company is in compliance with

Regulation 230(1)(e) of the SEBI ICDR Regulations and we are not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Details of Objects of the Issue

1. Funding of upgradation of warehouse

As on February 29, 2024, our total warehouse capacity is as under:

| Unit Location | <i>All units in pieces</i> Capacity |
|---|---|
| Existing capacity (ready to dispatch) | 8,00,000 |
| Proposed expansion (ready to dispatch) | 12,00,000 |
| Expected capacity (ready to dispatch) | 20,00,000 |

Our Company is into Menswear and deals in men's garments such as Shirts, Denims, T-shirts, trousers, Cotton pants, sports-wear, party-wear, fashion wear, boxers etc. and cater pan India through online and wholesale in our own brand and also white-labelling for other brands such as Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail and many more. Our Company is in the business of manufacturing and selling of menswear garments through online e-commerce platforms and wholesale under the name of 'FTX', 'Tribe' and 'Conteno'. Our Company sales products under its own brand through the most popular retail online e-commerce platforms namely, flipkart, Myntra, Meesho, Amazon, Ajo, Jio Mart, Glowroad, Limeroad, Solvd and Shopsy. The wholesale business comprises of sale to wholesalers who purchase in bulk for onward sales to garment retailers in different states of the country. Further, our brand also are sold through large format stores including V-Mart Retail, V2 Retail, City Kart, Metro Bazar, Kothari Retail and Sarvana Retails.

We transitioned to online business in 2021 to better serve our Pan India clientele. In the two years since we went digital with our menswear product line, we have served about 15,000 plus pin codes in India giving us benefit of selling to the end consumer directly and understanding their buying pattern. Our products are available on India's top marketplaces, and we will be adding few more marketplaces in the current fiscal year. We have received positive response from our customers for our products which is reflected customers' rating on the marketplaces. In addition to being present on the top online marketplaces, we are also present in over 500 plus large format stores, which helps us to be visibly present in offline spaces. With more than 1200 SKUs, our product catalogue is broad and varied.

Our warehouse is presently located at Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola – 700 141, West Bengal, India. The storage capacity is proposed to be enhanced to 20.00 lakhs ready to despatch garments from existing capacity of 8.00 lakhs ready to despatch garments.

Our Company proposes to utilise an amount of ₹165.67 lakhs from the Net Proceeds for funding the capital expenditure towards upgradation of exiting warehouse at Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola – 700 141, West Bengal, India.

The upgradation of warehouse is utmost important to scale in our business as garments are a volumetric product and require lots of space to store. Further, we are into fashion product which require us to offer multiple options to our customers in terms of number of styles, colours and sizes, which again increases the requirement of having space to store. To scale in the next three years, our Company will have to provide a wide variety of options in terms of style, category and vertical to the customers. Nowadays, the supply system of any brand has to be very prompt in order to retain customer and add new ones. In order to store larger quantity of garments, ensure smooth supply with flexibility and ease, our Company requires upgradation of our existing warehouse. This will lead to increase in capacity from existing 8,00,000 unit ready to despatch to 20,00,000 unit ready to despatch.

Estimated Costs

The total estimated cost of towards upgradation of exiting warehouse is ₹ 165.67 lakhs which will entirely be funded through the proceeds of this Issue. The total cost for upgradation of exiting warehouse has been estimated by our management and is based on the quotations received from third party suppliers, which has been approved by our Board of Directors in their meeting dated April 8, 2024.

The detailed breakdown of such estimated cost is set forth below:

(₹ in lakhs)

| Description | Quantity | Rate per unit | Amount |
|---|----------|---------------|---------------|
| Slotted Iron Rack Hsn(73012010), Enamel Spray Paint, 3000 mm Height X 1200mm Length X 900mm Depth 6 Shelves (Side Sheet & Back Sheet) as Per Need ANGLE 10 Swg (80×40), Shelves 18 Swg With Supported Bata Supplier: M/s. Swastik Services Quotation dated: 16-06-2024 Validity : 90 days from the date of quotation | 780 | 0.175 | 136.50 |
| Fitting & Transportation | | | 3.90 |
| CGST @ 9% | | | 12.63 |
| SGST @ 9% | | | 12.63 |
| TOTAL | | | 165.67 |

³Inclusive of GST & Cess

⁵The amount included in the quotation may be subject to price revisions, basis, inter alia, prevailing market conditions, price of raw materials, increase in taxes/duties levied by governmental authorities. In case of an increase in quoted amount due to a price revision, our Company will bear the difference out of internal accruals.

As on date of this Prospectus, our Company has not made any payments towards any of the above mentioned proposed expenditure.

Infrastructure facilities like raw material, manpower and utilities like water, etc.

Our Company has adequate facilities and infrastructure to source and store raw materials and has existing connections for utilities like water, manpower, power *etc.* for the existing warehouse. The same facilities shall be utilized for the proposed upgradation at our existing warehouse. For details of the infrastructure and utilities, please refer to “*Our Business*” at page 106 of this Prospectus.

Government and other Approvals

Our Company does not require any separate or additional licenses or other approvals for upgradation of the exiting warehouse.

Our Company has availed the government and statutory approvals required to operate. For further details, please refer to the chapter titled “*Government and Statutory Approvals*” at page 212 of this Prospectus.

Proposed Schedule of Implementation

The proposed schedule of implementation for upgradation of existing warehouse is as follows:

| Particular | estimated month of | |
|--|-----------------------|-----------------|
| | Commencement | Completion |
| Order of Slotted Iron Rack | June, 2024 | September, 2024 |
| Delivery and installation of Slotted Iron Rack | August, 2024 | December, 2024 |
| Start of use | October, 2024 onwards | |

Means of Finance

Our Company proposes to meet the entire requirement of funds for this proposed Object of the Issue from the Net Proceeds and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

2. Prepayment or repayment of all or a portion of secured loans availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, *inter alia*, unsecured loans, term loans and working capital facilities. For further details, please refer “*Financial Indebtedness*” on page 193.

As at March 31, 2024, our total outstanding secured borrowings from ICICI Bank and HSBC Bank amounted to ₹ 3,138.46 lakhs. Our Company proposes to utilise an estimated amount of up to ₹1,300 lakhs from the Net Proceeds towards pre-payment or scheduled repayment of all or a portion of secured loans availed by our Company from HSBC Bank Limited.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table provides details of loans and facilities as at March 31, 2024, which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds:

| S. No. | Name of Lender | Purpose of availing loans | Interest rate (%) P.A | Repayment Terms | Sanction Date | Prepayment penalties, if any | Amount Outstanding as on 31-03-2024 (Rs.in Lacs) | Important terms of the loans |
|--------|-------------------|---------------------------|-----------------------|-----------------|------------------|------------------------------|--|---|
| 1 | HSBC Bank Limited | Cash Credit | 9.50% | 12 Months | January 25, 2024 | Nil | 1,986.32 | First Pari Passu charge on the current assets of the Firm, both present and future along with multiple banker ICICI Bank Hypothecation of Stock 25% margin Hypothecation of Receivables not more than 120 Days with 25% margin First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt’s Garden Lane, Kolkata – 700010 with multiple banker ICICI Bank First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074 with multiple banker ICICI Bank Lien of Fixed Deposits with multiple banker ICICI Bank Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, and Smt. Sushila Agarwal for Rs 200,000,000/- each |
| 2 | HSBC Bank Limited | ECGL - 1 | 9.50% | 48 Months | | Nil | 22.10 | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| 3 | HSBC Bank Limited | ECGL - 2 | 9.50% | 60 Months | | Nil | 99.00 | Business Loan |

*Certified by the Statutory Auditor, by way of their certificate dated April 6, 2024.

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Company has obtained the requisite certificate dated April 6, 2024, for the loans to be prepaid by our Company.

For further details in relation to our borrowings, please see “*Financial Indebtedness*” on page 193.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company.

Given the nature of the above-mentioned borrowings and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 1,300 lakhs.

If the actual utilization towards the above object is lower than the proposed deployment, such balance will be used either for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations.

3. *Funding the working capital requirements of our Company*

Our Company proposes to utilise up to ₹ 1,200 lakhs from the Net Proceeds towards funding its working capital requirements in Fiscal 2025.

We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and non-banking financial companies. Our Company requires additional working capital for funding future growth requirements of our Company. As of February 29, 2024, the aggregate amount sanctioned by the banks to our Company under the fund based working capital facilities amounted to ₹ 3,200.00 lakhs. For details of the working capital facilities availed by us, see “*Financial Indebtedness*” on page 193.

Basis of estimation of working capital requirement

The details of our existing Company’s working capital as at February 29, 2024 and the source of funding, derived from the standalone financial statements of our Company, as certified by our Statutory Auditor through their certificate dated April 6, 2024, are provided in the table below. On the basis of the existing and estimated working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated April 6, 2024, has approved the estimated working capital requirements for Fiscals 2024 and 2025 as set forth below:

| (₹ lakhs) | | | | | | | |
|------------|---|----------------------|----------------------|----------------------|-------------------------|----------------------|----------------------|
| S. No. | Particulars | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2023 | As at February 29, 2024 | As at March 31, 2024 | As at March 31, 2025 |
| | | (Actual-Restated) | (Actual-Restated) | (Actual-Restated) | (Actual-Restated) | (Estimated) | (Projected) |
| (A) | Current assets | | | | | | |
| (a) | Inventories | 2,272.20 | 2,933.73 | 1,808.84 | 2,155.08 | 2,695.17 | 4,015.81 |
| (b) | Financial assets | | | | | | |
| | (i) Trade receivables | 1,867.22 | 573.31 | 1,166.60 | 2,383.14 | 1,892.39 | 2,666.67 |
| (c) | Other Current Assets | 278.19 | 353.93 | 314.55 | 312.22 | 366.55 | 378.61 |
| | Total current assets (A) | 4,417.61 | 3,860.97 | 3,289.99 | 4,850.45 | 4,954.11 | 7,061.08 |
| (B) | Current liabilities | | | | | | |
| (a) | Financial liabilities | | | | | | |
| | (i) Trade payables | 1,714.87 | 948.97 | 582.94 | 789.48 | 950.00 | 500.00 |
| (b) | Provisions, other current liabilities and current tax liabilities (net) | 26.01 | 133.47 | 155.38 | 268.63 | 192.85 | 387.37 |

| | | | | | | | |
|------------|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Total current liabilities (B) | 1,740.88 | 1,082.44 | 738.32 | 1,058.11 | 1,142.85 | 887.37 |
| (C) | Total working capital requirements (C = A – B) | 2,676.73 | 2,778.53 | 2,551.67 | 3,792.34 | 3,811.26 | 6,173.71 |
| (D) | Funding pattern | | | | | | |
| (a) | IPO proceeds | | | - | | - | 1,200.00 |
| (b) | Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting) and/or internal accruals | 2,676.73 | 2,778.53 | 2,551.67 | 3,792.34 | 3,811.26 | 4,973.71 |
| | Total | 2,676.73 | 2,778.53 | 2,551.67 | 3,792.34 | 3,811.26 | 6,173.71 |

Note: Pursuant to the certificate dated April 6, 2024, issued by the Statutory Auditor.

Our Company shall also fund the incremental working capital requirements by availing loan facilities.

Assumptions for our estimated working capital requirements

| Particulars | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2023 | As at February 29, 2024 | As at March 31, 2024 | As at March 31, 2025 |
|--|----------------------|----------------------|----------------------|-------------------------|----------------------|----------------------|
| | (Actual-Restated) | (Actual-Restated) | (Actual-Restated) | (Actual-Restated) | (Estimated) | (Projected) |
| Holding Level for year/period ended | | | | | | |
| Inventories | 175.00 | 214 | 102 | 81 | 96 | 83 |
| Trade Receivables | 132.00 | 39 | 59 | 89 | 59 | 48 |
| Trade Payables | 133.00 | 65 | 43 | 48 | 42 | 14 |

Key assumptions for working capital requirements

Our Company's estimated working capital requirements on a standalone basis are based on the following key assumptions:

| S. No. | Particulars | Assumptions |
|----------------------------|-------------------|---|
| Current Assets | | |
| 1 | Trade Receivables | Our Company's general credit terms vary across online and offline sales. We had Debtors Holding days of 132, 39 days, 59 days and 89 days in FY2021, FY2022, FY2023 and for the period ended February 29, 2024. During FY2021, the debtor holding period was higher due to Covid19 impact. We expect Debtors Holding days to be around 59 days for FY2024 and 48 days for FY 2025. This will be almost at par with FY2023. |
| 2 | Inventories | Inventory levels are maintained by our Company depending upon the demand and delivery schedules. We had inventory turnover days of 175, 214 days, 102 days and 81 days in FY2021, FY2022, FY2023 and for the period ended February 29, 2024. During FY2021, the inventory holding period was higher due to Covid19 impact. We are making effort to improve its inventory turnover days and expect the same to be around 96 days in FY2024 and 83 days for FY2025 as compared to 102 days in FY2023. |
| Current Liabilities | | |
| 1 | Trade Payables | We had creditors payment cycle of 133, 65 days, 43 days and 48 days in FY2021, FY2022, FY2023 and for the period ended February 29, 2024. During FY2021, the creditors payment cycle was higher due to Covid19 impact. We expect our creditors payments days be around 42 days for FY2024 and 14 days for FY2025 as compared to 43 days in FY2023. |

Details of total number of units sold in last 3FYs and stub period

The number of units sold by the Company during the last 3 financial years and stub period are as under:

| Period | April 1, 2023 till February 29, 2024 | FY 2022-23 | FY 2021-22 | FY 2020-21 |
|----------------------------|--------------------------------------|------------|------------|------------|
| No. of units sold (in pcs) | 67,10,204 | 49,98,324 | 40,46,386 | 38,43,865 |

Justification for increase/ decrease in working capital requirement for the FY2023 and estimated period:

During the fiscal year 2022-23, the total working capital requirement was Rs. 2,551.67 Lakhs. However, this is estimated to increase to Rs. 3,811.26 Lakhs during the fiscal year 2023-24 and Rs. 6,173.71 Lakhs during the fiscal year 2024-25.

The substantial working capital requirement, increasing from Rs. 2,551.67 lakhs in the fiscal year 2023 to Rs.3,792.34 lakhs in the period ended February 29, 2024 can be attributed to increase in the Company's operation during this period. The Company has expended its presence from 4 online marketplaces to 8 online marketplaces during the said periods. This shift is evident in the comparison of sale, which went from Rs. 6,960.46 Lakhs in FY2023 to Rs. 9,607.24 during the period ended February 29, 2024.

This surge in turnover had direct impact on the Company's working capital requirements due to specific changes in the following areas:

- Outstanding Receivables:** The rise in volume of sales, which in turn necessitated an increase in outstanding receivables. As the company offered credit to its customers, funds became locked in pending invoices, resulting in an expansion of the working capital needed.
- Inventories:** Similar to reasons specify for increase in trade receivable, owing to the Company's expectation of higher sale, it is expected that substantial amount of inventory for stock of finish goods and raw materials will be kept in stock.
- Payment to Suppliers:** Over the past few years, there was a reduced payment cycle to vendors. This leads to a decrease in trade payables leading to a higher working capital requirement. For example, our Company maintained holding level of trade payable at 65 days and 43 days in 2021-22 and 2022-23 respectively, which support a lower working capital requirement. In FY2024 the payment cycle reduced to 42 days, as we have higher liquidity which enables us to reduce payment cycle of creditors. Further, we are expecting payment cycle to reduce to 14 days in FY 2024-25 from 42 days in FY 2023-24, on account of faster payment to receive discount and better pricing of our raw materials from our suppliers, to achieve higher profit margins. This will have a direct impact on our working capital and require higher working capital.

Rationale for high working capital ratio in FY2021 and FY2022:

During the FY2021 and FY2022, the Company used to sell predominantly to large format stores and wholesalers wherein the standard credit period offered to them ranged in between 45-90 days. As the company is into manufacturing of apparels, the stock holding period ranges between 3-4 months.

In FY2021 due to Covid19, many business indeed experienced slowdowns or significant disruptions, the company was no exception to it. Because of the same the overall trade got severely impacted and as a result of which the working capital cycle got increased.

Moreover, in the FY2022 again Covid19 relapsed and the heat of the same was felt by almost every industry. Because of Covid uncertainty the pick-up of the orders placed by the customers got delayed which resulted in increase in inventory level and overall working capital requirement.

Rationale for reduction in working capital requirement in FY2023

In FY2023, the business scenario got normalized. Capitalising the opportunity, the Company strategically increased its presence multi-fold in the online marketplaces. The Company has achieved higher sales and faster delivery of product to the customers, resulting in faster conversion of stock into sales. This led to the overall working capital requirement normalised and reduced as compared to working capital requirement of FY2022.

Rationale for increase in working capital requirement in stub period

The net working capital for the stub period was Rs.3,792.34 Lacs as compared to Rs.2,551.67 Lacs for FY2023. The reason for the increase in net working capital requirement was mainly due to delay in the onset of winter season because of which the debtors and inventory levels increased. Due to delay of winter season the demand of the winter goods got delayed. Hence, the entire supply chain from inventory to debtors to payment cycle gets elongated to balance the delay in the season. The Company has ended FY2024 with turnover of around Rs.112.37 crores recording a growth of around 61.46% as compared to FY2023 which ended with Rs. 69.60 crores. Considering the same, the Company has estimated revenue of Rs. 200 crores in FY2025. Further, the surge in turnover had direct impact on the Company's working capital requirements due to specific changes in the following areas:

- **Inventories of raw material and finish products:** The rise in volume of sales in turn necessitated an increase in inventories. The Company is in fashion industry which is season driven, i.e. the Company experience significant surge in sale during festive and winter seasons during September to next year February, and for the rest of the period the sales are normal but the Company has to keep its inventory ready to meet the higher demand. Because of the growth in revenue, the inventory level in value terms correspondingly increased. As the Company has increased its product portfolio to offer more and more options of fashion to its customers, which in turn resulted in increased inventory to and an expansion of the working capital needed for the stub period as compared FY2023. This strategic approach aligns with our goal of sustaining growth while efficiently managing inventory levels to meet project demands effectively.
- **Debtors holding period:** The rise in volume of sales in turn resulted in higher debtors. As stated earlier, delay in the onset of winter season, the whole working capital cycle got elongated and debtors were no exception to it. The debtor holding period increased from 59 days in FY2023 to 89 days during the stub period. This has resulted in expansion of the working capital needed for the stub period as compared FY2023.

Justification for increase in working capital requirement for the estimated period

Reason:

As mentioned in the chapter “*Our Business – Business Strategies*” on page 80 of this Prospectus.

OUR BUSINESS STRATEGIES

Our strategic objective is to improve and consolidate our position as a brand for urban Bharat the with a continuous growth philosophy and to enter in kids and women ware. Below points represents our continuous growth philosophy being implemented:

Fashion at affordable price

We are committed to superior customer service, innovation in fashion and product quality with 95% of the products priced below ₹499/-. We offer stylish and quality menswear at affordable prices for the masses of urban Bharat where we see a significant opportunity for a value for money fast fashion brand. Our mission is to become the #1 Menswear company for masses of urban Bharat. We are currently targeting Tier-2, Tier-3 and Tier-4 cities dedicated to providing value to customers with fashionable and comfortable product ranges.

As part of our growth strategy, we intend to focus on increase in volume of sales by increasing our presence on marketplaces in additional to the existing ones.

Product Pricing

We are committed to fashionable products to our customers in urban Bharat at affordable price. 95% of the our products are priced below ₹499/-. We arrive at a pricing point for each of our products through a detailed mechanism that takes into consideration a range of factors, including seasonal trends and costs incurred in connection with procurement, production, marketing and other ancillary expenses. Our products are uniformly priced across large format stores and the online channel, subject to seasonal trends and discounts, and we strive to ensure that our products remain aspirational yet value for money for our customers. We exclusively manage and regulate the prices at which our products are sold across our large format stores and the online channel.

Increase online presence

As part of our growth strategy, we intend to focus on increase in volume of sales by increasing our presence on marketplaces in additional to the existing ones. Going forward we plan to establish our presence in the more regions. Our emphasis is on expanding the scale of our operations as well as growing our supply chain network.

Leverage and enhance our brand name:

We believe that our brand commands a recall amongst our target customers due to its latest design, fit and price. We intend to leverage the brand equity that we enjoy.

Improving operational efficiencies:

Our Company intends to improve operating efficiencies to achieve cost reductions. We will be addressing the increase in operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through economies of scale. We believe in strong in-house management to control the entire process. It controls costs by eliminating unnecessary intermediaries for procuring materials in cost efficient manner by optimizing logistics and maximizing labour efficiency.

4. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 843.33 lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Issue, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives;
- b) general procurement;
- c) brand building and strengthening of marketing activities; and
- d) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

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

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ 235.00 lacs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

| Expenses | Estimated expenses⁽¹⁾ (in ₹ lacs) | As a % of the total estimated Issue expenses⁽¹⁾ | As a % of the total Gross Issue Proceeds⁽¹⁾ |
|---|---|---|---|
| Issue management fees including fees and reimbursements of Market Making fees and payment to other Intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses. | 61.00 | 25.96% | 1.63% |
| Marketing and Selling Commission and expenses | 149.45 | 63.59% | 3.99% |
| Advertising and marketing expenses | 7.88 | 3.35% | 0.21% |
| Printing and distribution of issue stationery | 1.25 | 0.53% | 0.03% |
| Others | | | |
| - Listing fees | 0.50 | 0.21% | 0.01% |
| - NSE processing fees | 0.25 | 0.11% | 0.01% |
| - Book Building software fees | 3.50 | 1.49% | 0.09% |
| - Other regulatory expenses | 10.67 | 4.54% | 0.29% |
| - Miscellaneous | 0.50 | 0.21% | 0.01% |
| Total estimated Issue expenses | 235.00 | 100.00% | 6.28% |

**Please note that the cost mentioned is an estimate quotation as obtained from the respective parties and excludes GST, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.*

Notes:

1. *Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)
^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*
2. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
3. *Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
4. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*
6. *The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.*

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Deployment of Funds and Sources of Funds

As on date of this Prospectus, our Company has not deployed any funds towards the Objects of the Issue.

Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Loan

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

Monitoring of Utilisation of Funds

In accordance with Regulation 262 of the SEBI ICDR Regulations, since the Net Proceeds do not exceed ₹ 10,000.00 lakhs, appointment of monitoring agency is not applicable.

Variation in Objects of the Issue

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and one in Bengali, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 290 and Schedule XX of the SEBI ICDR Regulations.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency.

Other Confirmations

No part of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Companies in relation to the utilisation of the Net Proceeds.

BASIS FOR ISSUE PRICE

The Price Band, Floor Price and Issue Price was determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10/- and the Issue Price is 7.7 times the face value at the lower end of the Price Band and 8.0 times the face value at the higher end of the Price Band.

Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Other Financial Information” on pages 106, 25, 159, 197 and 192, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

- Product Design
- Wide market Outreach
- Offering fashion to youth of Urban Bharat
- Strong Sales & Marketing team
- Highly experienced management team
- Strong customers’ and suppliers’ relationship
- Wide range of Products

For further details, see “Our Business –Strengths” on page 80.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “Restated Financial Statements” on page 159.

Some of the quantitative factors which may forms the basis for calculating the Issue Price are as follows:

I. Basic and Diluted Earnings per share (“EPS”)

| Fiscal Year ended | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|---------------------------------|-----------------------------|-------------------------------|---------------|
| March 31, 2023 | 1.36 | 1.36 | 3 |
| March 31, 2022 | 0.97 | 0.97 | 2 |
| March 31, 2021 | 0.82 | 0.82 | 1 |
| Weighted Average | | | 1.14 |
| Period ended February 29, 2024* | | | 3.99 |

* For the period from April 1, 2023 till February 29, 2024. Not Annualised

Notes:

- (1) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
- (2) *Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above*
- (3) *Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above*
- (4) *Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’. The face value of equity shares of the Company is ₹ 10/-.*
- (5) *The figures disclosed above are based on the Restated Financial Statements.*

II. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ 77 to ₹ 80 per Equity Share:

| Particulars | P/E at the Floor Price (number of times)* | P/E at the Cap Price (number of times)* |
|--------------------------------------|--|--|
| Based on basic EPS for Fiscal 2023 | 56.62 | 58.82 |
| Based on diluted EPS for Fiscal 2023 | 56.62 | 58.82 |

Industry Peer Group P/E ratio

| Particulars | Industry P/E (number of times) |
|-------------|--------------------------------|
| Highest | NA ⁽³⁾ |
| Lowest | NA ⁽³⁾ |
| Average | NA ⁽³⁾ |

Notes:

- (1) The industry high and low has been considered from the industry peer set provided above. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed above.
- (2) All the financial information for listed industry peers mentioned above is sourced from the annual reports of the relevant companies for Fiscal 2023, as available on the websites of the NSE and BSE.
- (3) The PE Ratio is Not Ascertainable as the EPS of the industry peer is negative.

III. Return on Networth ("RoNW")

| Fiscal Year ended | RoNW (%) | Weight |
|---|----------|--------|
| March 31, 2023 | 13.62% | 3 |
| March 31, 2022 | 9.71% | 2 |
| March 31, 2021 | 8.20% | 1 |
| Weighted Average | 11.42% | |
| For the period ended February 29, 2024* | 27.06% | |

* For the period from April 1, 2023 till February 29, 2024. Not Annualised

Notes:

- (1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.
- (2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year.
- (3) 'Net worth': Equity Share capital and other equity less capital reserves

IV. Net asset value per Equity Share (face value of ₹ 10/- each)

| Particulars | NAV per equity share (₹) |
|---|--------------------------|
| As on February 29, 2024 | 14.74 |
| As on March 31, 2023 | 10.00 |
| After the Completion of the Issue: | |
| - At Floor Price | 31.32 |
| - At Cap Price | 32.12 |
| - At Issue Price ⁽²⁾ | 32.12 |

Notes:

- (1) Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the period/ year divided by number of equity shares outstanding as at the end of period /year as per Restated Financial Statements.

COMPARISON OF ACCOUNTING RATIOS WITH LISTED INDUSTRY PEERS

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates i.e. menswear, whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Following is the comparison with our peer company listed in India:

| Name of the company | Consolidated/ Standalone | Face value (₹ per share)^ | Closing price on April 5, 2024 (₹ per share) | Revenue from Operations (₹ in Lakhs) | EPS (₹) | | NAV (₹ per share) | P/E Ratio | RoNW (%) | PAT margin (%) | Market cap to Revenue from operation |
|-------------------------------------|--------------------------|---------------------------|--|--------------------------------------|---------|---------|-------------------|-----------|----------|----------------|--------------------------------------|
| | | | | | Basic | Diluted | | | | | |
| Forcas Studio Limited* | Standalone | 10 | N.A. | 6,960.46 | 1.36 | 1.36 | 10.00 | NA | 9.71% | 1.68% | 2.02 |
| PEER GROUP | | | | | | | | | | | |
| Aditya Birla Fashion and Retail Ltd | Consolidated | 10 | 237.35 | 12,41,790.00 | (0.38) | (0.38) | 35.20 | NA | (1.70)% | (0.46)% | 1.58 |

*Financial information for our Company is derived from the Restated Financial Statements as at and for the Fiscal 2023.

Source: All the financial information for listed industry peer mentioned above is sourced from the annual report of the relevant companies for Fiscal 2023, as available on the websites of the NSE and BSE.

^ To be updated in the Prospectus.

Notes for peer group:

1. Return on Net Worth (%) = Profit for the year ended March 31, 2023 divided by Total Equity of the Company as on March 31, 2023.
2. NAV is computed as the Total Equity of the Company as on March 31, 2023 divided by the outstanding number of equity shares as on March 31, 2023.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” on page 25 and any other factors that may arise in the future and you may lose all or part of your investments.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 6, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Prospectus. Further, the KPIs herein have been certified by M/s. Agarwal Khetan & Co., Chartered Accountants, by their certificate dated April 6, 2024.

The KPIs of our Company have been disclosed in the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 106 and 197, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 6.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

Some of the key performance indicators which may form the basis for computing the Issue Price are as follows:
(₹ in lakhs except percentages and ratios)

| Key Performance Indicators | For the period ended February 29, 2024 [#] | March 31, 2023 [#] | March 31, 2022 [#] | March 31, 2021 [#] |
|--|---|-----------------------------|-----------------------------|-----------------------------|
| Revenue from Operations | 9,607.24 | 6,960.46 | 5,320.02 | 5,051.04 |
| EBITDA ⁽¹⁾ | 927.59 | 450.15 | 354.57 | 341.84 |
| EBITDA Margin ⁽²⁾⁽³⁾ | 9.66% | 6.47% | 6.66% | 6.77% |
| Profit After Tax for the Year / Period | 514.75 | 117.19 | 80.71 | 58.38 |
| PAT Margin ⁽⁴⁾ | 5.36% | 1.68% | 1.52% | 1.16% |
| ROE ^{(5)*} | 27.06% | 13.62% | 9.71% | 8.20% |
| ROCE ^{(6)*} | 18.54% | 12.97% | 10.09% | 9.98% |
| Net Debt/ EBITDA ⁽⁷⁾ | 3.13 | 5.12 | 6.71 | 7.04 |

*Not annualised for the period ended February 29, 2024

[#]As certified by the Statutory Auditor vide their certificate dated April 6, 2024.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated April 6, 2024.

Explanation for the Key Performance Indicators

1. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses.
2. EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.
3. EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.
4. PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.
5. Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.
6. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.
7. Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

Explanation for KPI metrics

| KPI | Explanations |
|---|--|
| Revenue from Operations (₹ in Lakhs) | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| EBITDA (₹ in Lakhs) | EBITDA provides information regarding the operational efficiency of the business. |
| EBITDA Margin (%) | EBITDA Margin is an indicator of the operational profitability and financial performance of our business. |
| Profit After Tax (₹ in Lakhs) | Profit after tax provides information regarding the overall profitability of the business. |
| PAT Margin (%) | PAT Margin is an indicator of the overall profitability and financial performance of our business. |
| RoE (%) | RoE provides how efficiently our Company generates profits from average shareholders' funds. |
| RoCE (%) | ROCE provides how efficiently our Company generates earnings from the average capital employed in the business. |

| KPI | Explanations |
|-----------------------------|---|
| Net Debt/ EBITDA (In Times) | Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA. |

Comparison the Key Performance Indicators with our listed peers:

(₹ in lakhs) (As on March 31, 2024)

| Key Performance Indicators | Forcas Studio Limited (For the period ended February 29, 2024) [#] | Aditya Birla Fashion and Retail Ltd |
|------------------------------------|--|-------------------------------------|
| Revenue from Operations | 9,607.24 | 12,41,790.00 |
| EBITDA ⁽¹⁾ | 927.59 | 1,61,004.00 |
| EBITDA Margin ⁽³⁾ | 9.66% | 12.97% |
| Profit After Tax for the Year | 514.75 | (5,703.00) |
| PAT Margin ⁽⁴⁾ | 5.36% | (0.46)% |
| ROE ⁽⁵⁾ | 27.06% | (1.70)% |
| ROCE ⁽²⁾⁽⁶⁾ | 18.54% | 6.78% |
| Net Debt/ EBITDA ⁽¹⁾⁽⁷⁾ | 3.13 | 1.43 |

Source: Annual Reports of the company / www.nseindia.com

As certified by the Statutory Auditor vide their certificate dated April 6, 2024.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated April 6, 2024.

Explanation for the Key Performance Indicators

1. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses.
2. EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.
3. EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.
4. PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.
5. Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.
6. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.
7. Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.

OPERATIONAL KPIs OF THE COMPANY:

| Particulars | For the period February 29, 2024 | For the Year ended on March 31 | | |
|--|-------------------------------------|--------------------------------|--------|--------|
| | | 2023 | 2022 | 2021 |
| Contribution to revenue from operations of top 5 / 10 customers | | | | |
| Top 5 Customers (%) | 61.87% | 69.12% | 61.89% | 49.75% |

Explanation for KPI metrics

| KPI | Explanations |
|--|---|
| Contribution to revenue from operations of top 5 customers | This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks. |

COMPARISON OF OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEER:

The operational KPIs of the listed peer are not publicly available.

WEIGHTED AVERAGE COST OF ACQUISITION:

- a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).

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

| Date of issue | No. of shares issued | Issue price per shares | Total Consideration |
|--|----------------------|------------------------|---------------------|
| January 12, 2024 | 95,18,400 | 10.00 | 9,51,84,000 |
| January 27, 2024 | 17,31,600 | 10.00 | 1,73,16,000 |
| February 20, 2024 | 16,50,000 | 40.00 | 6,60,00,000 |
| Total | 1,29,00,000 | | 17,85,00,000 |
| Weighted average cost of acquisition per equity share | | | 13.84 |

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

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

- c) Weighted average cost of acquisition, floor price and cap price:

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Share) | Floor Price (₹77) | Cap Price (₹80) |
|---|---|-------------------|-----------------|
| Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single | 13.84 | 5.56* | 5.78* |

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Share) | Floor Price (₹77) | Cap Price (₹80) |
|--|---|-------------------|-----------------|
| transaction or multiple transactions combined together over a span of rolling 30 days. | | | |
| (i) Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days | N.A. | N.A. | N.A. |
| (ii) Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days | NA | NA | NA |

The above details related to WACA have been certified by the auditors by their certificate dated April 6, 2024.

* To be updated at Prospectus stage.

1. Detailed explanation for Offer Price/Cap Price being 5.78 times of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in point ‘i’ above) along with our Company’s key financial and operational metrics and financial ratios for the Fiscal 2023, 2022 and 2021.

The Issue Price of ₹ 80/- has been determined by our Company in consultation with the BRLM is justified in view of the qualitative parameters. Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

- Product Design
- Wide market Outreach
- Offering fashion to youth of Urban Bharat
- Strong Sales & Marketing team
- Highly experienced management team
- Strong customers’ and suppliers’ relationship
- Wide range of Products

Explanation for Issue Price being 8.0 times price of face value.

The Issue Price of ₹ 80 was determined by our Company, in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Financial Information*” on pages 25, 106, 197 and 159 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” on page 25 and you may lose all or part of your investment.

The trading price of the Equity Shares could decline due to the factors mentioned in the chapter titled ‘*Risk Factors*’ on page 31 and any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

To,
The Board of Directors
Forcas Studio Limited
Tara Maa Tower, B3-71C/161 B B T Road,
Vivekanandapur, South 24 Parganas,
Thakurpukur Mahestola -700 141, West Bengal, India.

Dear Sir(s),

Subject: Statement of Possible Special Tax Benefits Available to the Company and its shareholders prepared in accordance with the requirements under Schedule VI-PART A, Clause (9)(L) of the SEBI (ICDR) Regulations, 2018, as amended (the “Regulations”)

We hereby report that the enclosed annexure prepared by Forcas Studio Limited, states the possible special tax benefits available to Forcas Studio Limited (the “**Company**”) and the shareholders of the Company, under the Income Tax Act, 1961 (“**Act**”), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders, so it does not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the “**Issue**”) by the Company.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Your sincerely,

For Agarwal Khetan & Co.
Chartered Accountants
ICAI Firm Registration No.: 330054E
Partner: **CA Ritesh Agarwal**
Membership No: 311866
UDIN: 24311866BKEXUE5513
Place: Kolkata
Date: April 6, 2024
Enclosed as above

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

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

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

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We 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.

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SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

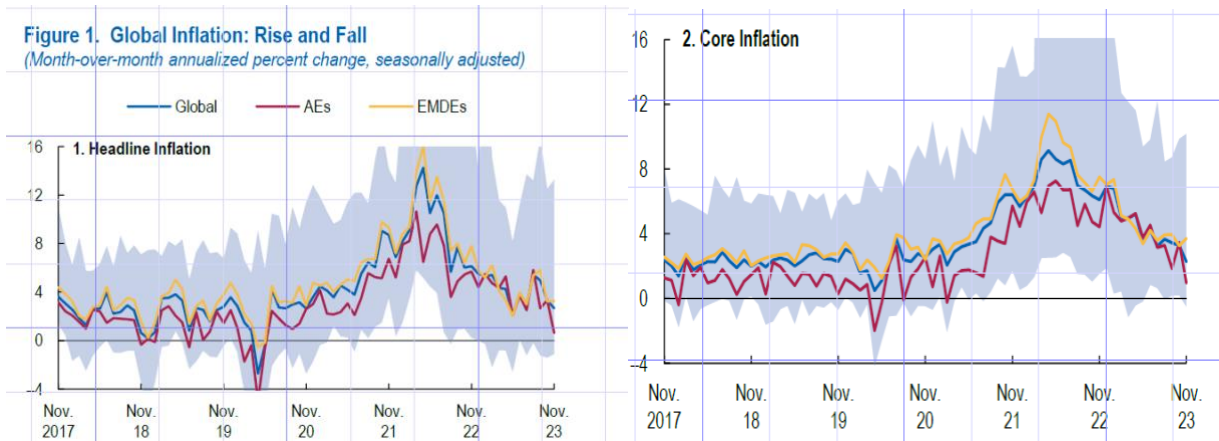
The information contained in this section is derived from many different research reports both offline and online prepared by many different business research organisations. Neither we nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

GLOBAL OUTLOOK

The global economic recovery from the COVID-19 pandemic, Russia’s invasion of Ukraine, and the cost-of-living crisis is proving surprisingly resilient. Inflation is falling faster than expected from its 2022 peak, with a smaller-than-expected toll on employment and activity, reflecting favorable supply-side developments and tightening by central banks, which has kept inflation expectations anchored. At the same time, high interest rates aimed at fighting inflation and a withdrawal of fiscal support amid high debt are expected to weigh on growth in 2024.

Growth resilient in major economies - Economic growth is estimated to have been stronger than expected in the second half of 2023 in the United States, and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight—though easing—labor markets and households drawing down on their accumulated pandemic-era savings. A supply-side expansion also took hold, with a broad-based increase in labor force participation, resolution of pandemic-era supply chain problems, and declining delivery times. The rising momentum was not felt everywhere, with notably subdued growth in the euro area, reflecting weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment. Low-income economies continue to experience large output losses compared with their prepandemic (2017–19) paths amid elevated borrowing costs.

Inflation subsiding faster than expected - Amid favorable global supply developments, inflation has been falling faster than expected, with recent monthly readings near the prepandemic average for both headline and underlying (core) inflation (Figure 1). Global headline inflation in the fourth quarter of 2023 is estimated to have been about 0.3 percentage point lower than predicted in the October 2023 WEO on a quarter-over-quarter seasonally adjusted basis. Diminished inflation reflects the fading of relative price shocks— notably those to energy prices—and their associated pass-through to core inflation.¹ The decline also reflects an easing in labor market tightness, with a decline in job vacancies, a modest rise in unemployment, and greater labor supply, in some cases associated with a strong inflow of immigrants. Wage growth has generally remained contained, with wage-price spirals—in which prices and wages accelerate together—not taking hold. Near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored.



Sources: Haver Analytics; and IMF staff calculations.

Note: The figure plots the median of a sample of 57 economies that accounts for 78 percent of World Economic Outlook world GDP (in weighted purchasing-power-parity terms) in 2023. Vertical axes are cut off at -4 percent and 16 percent. The bands depict the 10th to 90th percentiles of inflation across economies. “Core inflation” is the percent change in the consumer price index for goods and services, excluding food and energy (or the closest available measure). AEs = advanced economies; EMEs = emerging market and developing economies.

High borrowing costs cooling demand - To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023, resulting in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. Commercial real estate has been especially under pressure, with higher borrowing costs compounding postpandemic structural changes. But with inflation easing, market expectations that future policy rates will decline have contributed to a reduction in longer-term interest rates and rising equity markets (Box 1). Still, long-term borrowing costs remain high in both advanced and emerging market and developing economies, partly because government debt has been rising. In addition, central banks’ policy rate decisions are becoming increasingly asynchronous. In some countries with falling inflation—including Brazil and Chile, where central banks tightened policy earlier than in other countries—interest rates have been declining since the second half of 2023. In China, where inflation has been near zero, the central bank has eased monetary policy. The Bank of Japan has kept short-term interest rates near zero.

The Forecast

Growth Outlook: Resilient but Slow

Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025 (Table 1). Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. Rising trade distortions and geo economic fragmentation are expected to continue to weigh on the level of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data.

These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about 2.3 percent in 2024, whereas nonfuel commodity prices are expected to fall by 0.9 percent. IMF staff projections are for policy rates to remain at current levels for the Federal Reserve, the European Central Bank, and the Bank of England until the second half of 2024, before gradually declining as inflation moves closer to targets. The Bank of Japan is projected to maintain an overall accommodative stance.

For advanced economies, growth is projected to decline slightly from 1.6 percent in 2023 to 1.5 percent in 2024 before rising to 1.8 percent in 2025. An upward revision of 0.1 percentage point for 2024 reflects stronger-than-expected US growth, partly offset by weaker-than-expected growth in the euro area:

- In the United States, growth is projected to fall from 2.5 percent in 2023 to 2.1 percent in 2024 and 1.7 percent in 2025, with the lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labor markets slowing aggregate demand. For 2024, an upward revision of 0.6 percentage point since the October 2023 WEO largely reflects statistical carryover effects from the stronger-than-expected growth outcome for 2023.
- Growth in the euro area is projected to recover from its low rate of an estimated 0.5 percent in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.9 percent in 2024 and 1.7 percent in 2025. Stronger household consumption as the effects of the shock to energy prices subside and inflation falls, supporting real income growth, is expected to drive the recovery. Compared with the October 2023 WEO forecast, however, growth is revised downward by 0.3 percentage point for 2024, largely on account of carryover from the weaker-than-expected outcome for 2023.
- Among other advanced economies, growth in the United Kingdom is projected to rise modestly, from an estimated 0.5 percent in 2023 to 0.6 percent in 2024, as the lagged negative effects of high energy prices wane, then to 1.6

percent in 2025, as disinflation allows an easing in financial conditions and permits real incomes to recover. The markdown to growth in 2025 of 0.4 percentage point reflects reduced scope for growth to catch up in light of recent upward statistical revisions to the level of output through the pandemic period. Output in Japan is projected to remain above potential as growth decelerates from an estimated 1.9 percent in 2023 to 0.9 percent in 2024 and 0.8 percent in 2025, reflecting the fading of one-off factors that supported activity in 2023, including a depreciated yen, pent-up demand, and a recovery in business investment following earlier delays in implementing projects.

- In emerging market and developing economies, growth is expected to remain at 4.1 percent in 2024 and to rise to 4.2 percent in 2025. An upward revision of 0.1 percentage point for 2024 since October 2023 reflects upgrades for several regions.
- Growth in emerging and developing Asia is expected to decline from an estimated 5.4 percent in 2023 to 5.2 percent in 2024 and 4.8 percent in 2025, with an upgrade of 0.4 percentage point for 2024 over the October 2023 projections, attributable to China's economy. Growth in China is projected at 4.6 percent in 2024 and 4.1 percent in 2025, with an upward revision of 0.4 percentage point for 2024 since the October 2023 WEO. The upgrade reflects carryover from stronger-than-expected growth in 2023 and increased government spending on capacity building against natural disasters. Growth in India is projected to remain strong at 6.5 percent in both 2024 and 2025, with an upgrade from October of 0.2 percentage point for both years, reflecting resilience in domestic demand.
- Growth in emerging and developing Europe is projected to pick up from an estimated 2.7 percent in 2023 to 2.8 percent in 2024, before declining to 2.5 percent in 2025. The forecast upgrade for 2024 of 0.6 percentage point over October 2023 projections is attributable to Russia's economy. Growth in Russia is projected at 2.6 percent in 2024 and 1.1 percent in 2025, with an upward revision of 1.5 percentage points over the October 2023 figure for 2024, reflecting carryover from stronger-than-expected growth in 2023 on account of high military spending and private consumption, supported by wage growth in a tight labor market.
- In Latin America and the Caribbean, growth is projected to decline from an estimated 2.5 percent in 2023 to 1.9 percent in 2024 before rising to 2.5 percent in 2025, with a downward revision for 2024 of 0.4 percentage point compared with the October 2023 WEO projection. The forecast revision for 2024 reflects negative growth in Argentina in the context of a significant policy adjustment to restore macroeconomic stability. Among other major economies in the region, there are upgrades of 0.2 percentage point for Brazil and 0.6 percentage point for Mexico, largely due to carryover effects from stronger-than-expected domestic demand and higher-than-expected growth in large trading-partner economies in 2023.
- Growth in the Middle East and Central Asia is projected to rise from an estimated 2.0 percent in 2023 to 2.9 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.5 percentage point for 2024 and an upward revision of 0.3 percentage point for 2025 from the October 2023 projections. The revisions are mainly attributable to Saudi Arabia and reflect temporarily lower oil production in 2024, including from unilateral cuts and cuts in line with an agreement through OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), whereas non-oil growth is expected to remain robust.
- In sub-Saharan Africa, growth is projected to rise from an estimated 3.3 percent in 2023 to 3.8 percent in 2024 and 4.1 percent in 2025, as the negative effects of earlier weather shocks subside and supply issues gradually improve. The downward revision for 2024 of 0.2 percentage point from October 2023 mainly reflects a weaker projection for South Africa on account of increasing logistical constraints, including those in the transportation sector, on economic activity.

Source: World Economic Outlook Update, January 2024

The Indian Economy

IMF sources reveal that the Indian economy edged past the UK to become the fifth largest economy of the world and has been still growing at an astounding rate despite many global headwinds. Case in point, on March 1, 2024, Mint, the business and financial daily, reported that the Indian economy grew by 8.4% in the third quarter of the financial year 2023-24.

Based on this data, India's Statistical Ministry prepared a second advanced estimate of the full-year GDP growth and pegged it to 7.6% which will make it one of the fastest-growing major economies of the world. The earlier estimate was 0.3% lower than the recent one.

The trend of India outgrowing other economies is likely to continue for a long time. In fact, according to experts, India is projected to overtake Japan and Germany by 2030 to become the third largest economy of the world and is estimated to become 2nd largest economy by 2048.

Source: www.livemint.com; www.thehindubusinessline.com

Consumption in India

This stellar growth is the result of several measures taken by the governments over the years, e.g. liberalisation, abolishing license raj, an increasing focus on infrastructure investment and more. All these reforms eventually led to a heightened purchasing power for the common Indian consumers and a resultant service, manufacturing, construction and consumption boom.

This consumption boom has been particularly evident in the purchase of automobiles, electronics, and branded lifestyle products. The internet and e-commerce platforms have further democratised access to these goods, breaking geographical barriers and reaching previously untapped markets. The rise of consumer credit has also made it easier for individuals to finance their purchases.

In FY24, a strong Private Final Consumption Expenditure (PFCE) driven by sustained growth in urban demand and recovery in rural demand is supporting India's growth. According to the NSO, the share of private final consumption expenditure (PFCE) in India's GDP in FY24 is expected to be 60.3%. India Ratings (Ind-Ra) expects PFCE to grow by 6.1 per cent in 2024-25 compared to 4.4% in the 2023-24 financial year.

Thus, driven by strong policy support, a growing middle class and a sizeable young population, a significant amount of investment is flowing into the country, facilitating an economic uprising and lifting more and more people out of poverty every year. That is why, experts believe that the Indian consumption story is likely to continue beyond FY24 and could last many more decades to come.

Source: <https://www.cmie.com>; <https://indianexpress.com>

Indian apparel market

The domestic apparel market can also be broadly divided by price into super premium, premium, medium, economy, and value segments. The medium price segment holds majority of the share among apparel segment followed by economy segment. The price sensitive rural population forms a major part of the value and economy price segments of apparel market. Further, driven by the twin trends of premiumisation and value consciousness, the mid-market segment is being squeezed on both sides by the value and the premium segments. Demand for various apparel categories varies substantially across the country. The urban metro market comprising cities such as Delhi NCR, Mumbai, Bengaluru, Chennai, etc., is the biggest market for apparel in India and contributes over 20% to the Indian apparel market. Considering that less than 20% of India's population lives in these cities indicate the higher purchasing power in urban areas and frequency of purchases. The metros also witness huge penetration of women's western wear as compared to Tier -I or Tier -II cities of the country. High real estate costs, competition among branded players and saturation in metro cities of the country have driven big brands to move towards the smaller cities. The increasing purchasing capacity and awareness of fashion and trend in small cities has also resulted in providing a huge market to the organised players of the country. The rural apparel market in India is still primarily catered by unbranded and unorganised local players. Need based clothing and price sensitivity among people of rural India does not make it a lucrative market for branded players.

Demand Drivers for the Textiles and Apparel industry:

The demand for textiles and apparel is being primarily driven by 1) rise in disposable income which increases ability to consume, 2) increased usage of plastic money leading to impulsive buying among the Indian consumers, 3) intensifying urbanization leading to demand of varied goods and services, 4) positive demographic dividend along with changing consumer preference (ready to stitch), 5) increased organized retail which increases availability and the rise of private labels coupled with increase in (Ready to wear) RTW rather than RTS (Ready to Stitch), and 6) growth of internet penetration and rise of e-commerce as a viable alternative sales channel.

Additionally, effective implementation of several regulatory measures such as Technology Up-gradation Fund Scheme (TUFS), Refund of State Levies (RoSL), and integrated textile parks, the rising mall culture and the multiple international and home-grown premium and super premium brands are also expected to drive the market size of the Indian apparel industry. Furthermore, a low per capita fiber consumption as compared to other nations coupled with factors like growing differentiation of apparels into party-wear, office-wear and semi-formals coupled with increasing share of ethnic wear and designer wear are expected to drive the growth of the apparel industry. Additionally, tapping newer export markets enables exporters to offset both saturation and increased competition in the traditional export markets. Sustainable/

ecofriendly manufacturing is also expected to increase the share of natural fabrics in the industry e.g. Wills Lifestyle stating that it would utilise only natural fabrics. The industry is also undertaking significant investments in technology/ digital to 1) ramp up online presence/ ecommerce activities either in partnership or on a standalone basis, 2) modernize supply chain to increase efficiencies and reduce costs, 3) mass customization to drive demand and increase per capita consumption, and 4) increase marketing, enhance customer loyalty and repeat purchases. However, the recent wave of discounts (both online as well as offline), uncertainty due to the upcoming general elections and rise of protectionist measures/ rhetoric overseas could hamper industry realizations.

Indian online fashion market

The online fashion market is approximately \$11 billion and has grown at around 30% per year since 2019, led by four categories of players: national brands, private labels, digital disruptor brands, and unbranded sellers. National brands are historically established and began largely offline. These include brands such as Louis Philippe, Puma, and Biba. Private labels such as Avaasa from AJIO have been created and scaled by online retailers to expand assortment and fill price gaps. Digital disruptor brands, such as The Souled Store and Bewakoof, were born online and have taken a radically different direct-to-consumer (D2C) approach to scaling the business. Finally, the fashion market has always had a long tail of unbranded sellers with an attractive price-led value proposition.

These players have seen different trajectories over the past four years:

- National brands have turbocharged their online businesses, doubling online share, and now constitute \$2.5 billion online in FY23, having grown at 34% between 2019 and 2023. However, most national brands expect to see a more balanced growth pattern with offline channels as the impact of the pandemic wanes.
- Private labels have scaled to address underserved categories and price points, thereby expanding the target consumer base for branded products.
- Digital disruptors have grown, especially in certain fragmented categories, to \$2.4 billion, with 33% growth yearly since 2019. These new brands have focused on underserved parts of the market and created new offerings that index on value, design aesthetics, speed to market with new trends, or community engagement. Their digital-first operating model enables speed and data-led decision making.

Bain research suggests that the digital disruptor segment will grow rapidly. With a large current market size of approximately \$2.4 billion and a projected annual growth rate of around 35%, digital disruptors have the potential to reach a value of \$10 billion by FY28. Following factors will underpin this shift:

- Young audiences have a greater propensity to try to buy from new brands. As they constitute a growing share of online fashion purchases, the market for digital disruptors will grow.
- Brands that have invested in creating greater awareness are already seeing nonlinear returns on conversion and share of wallet (SoW). Increasingly, this will support returns to scale for such brands to achieve significant leadership positions.
- Over the last five years, beauty and personal care (BPC) (\$950 million) attracted more funding than apparel (\$430 million), excluding the top two outliers in each category. However, as brands demonstrate their scaling playbook, apparel is expected to attract more money.

Disruptor growth and path to profitability

Fashion—apparel, in particular—has relatively low barriers to entry. Nimble digital disruptors with a deep consumer understanding and a focused niche have entered the market in large numbers. Over 700 brands exist today that have created a high-quality product, have invested in customer engagement, and often have a direct-to-customer relationship on social media or via their site. However, Bain analysis suggests that, currently, less than 10% of these brands have scaled beyond INR 50 crore.

Fashion brands face four common challenges on their scaling journeys:

- **Managing assortment complexity:** Relative to beauty and personal care where 12% of stock keeping units (SKUs) drive most sales, fashion has a long tail where the top 20% of SKUs drive less than 50% of sales.
- **New category expansion:** Following the customer would help to identify adjacent categories and expand the SoW. However, customers often buy only two subcategories from a fashion brand.
- **Investing in building the brand:** There is a need to balance the trade-off between immediate customer acquisition spending and medium-term brand investments that have a three-to-four-year payoff.
- **Running efficient operations:** Managing inventory and returns and running agile data-led pricing and markdown optimization can be challenging but is critical.

Learnings from brands that have broken through the initial scale threshold suggest four clear patterns:

- **In fashion, the threshold scale for hitting profitability is low.** Brands can be profitable even at INR 100 crore while retaining enough firepower for growth. Using outsourced production, riding on marketplace infrastructure (physical and digital), and achieving healthy gross margins in the category enable this. Houses of Brands further create significant leverage through shared horizontal investments and capabilities (including in technology and data science).
- **Brands need to address underlying inefficiencies during the growth phase.** During the first three to four years of explosive growth, while customer acquisition costs are elevated, it's often possible for brands to lose sight of other core metrics such as gross margin and realized price. Irrespective of brand stage or type, discipline in range is critical to sustained economics.
- **What you plan is not what you get.** The complexity of assortment management for fashion can affect price realization, inventory, and returns, with a 4 to 5 percentage point (pp) impact on earnings before interest, tax, depreciation, and amortization (EBITDA).
- **Brands, not platforms.** Well-developed e-commerce infrastructure enables brands to run very lean operations. However, some brands that have attempted to build their own infrastructure have incurred high overheads, which can change EBITDA to the extent of 5 to 10 pp.

The next wave of winning brands will not follow the platform playbook but will be true fashion brands, built on differentiated propositions, memorable branding, a sharp understanding of assortment, and tight data-led operations.

Lifestyle market and brand dynamics

Market “brand-ification”

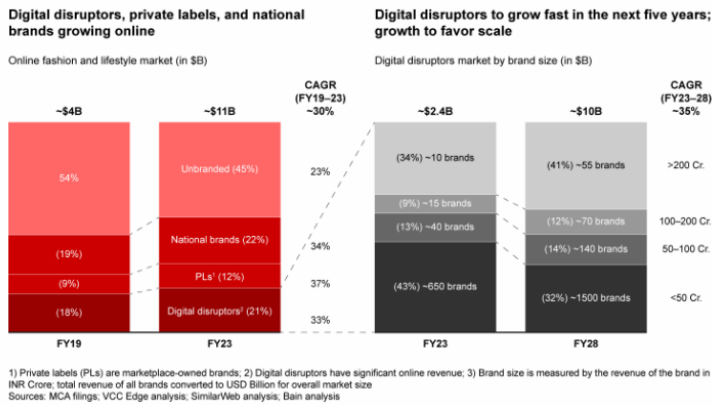
Online fashion is a significant \$11 billion category in FY23, growing at 30% per annum historically since 2019. Growth in the online fashion space, which was previously largely unbranded, is now driven by brands at various price points.

Over the past four years, the online share of national brands has more than doubled, with leading Indian public brands experiencing more than five times the growth in scale compared to pre-Covid levels. Strengthened online distribution, increased marketing efforts, and higher investments in co-creation with e-commerce platforms have driven this.

Private labels have also played a material role in driving online growth, expanding into key category and price point gaps.

Digital disruptors are projected to outpace the overall market growth with 35% annual growth, reaching \$10 billion by FY28 from the current size of \$2.4 billion (see Figure 1). The expectation is that the number of brands exceeding INR 250 crore in revenue will jump five times by FY28, with categories such as expressive wear, ethnic wear, and jewelry having multiple scale brands, while categories such as athleisure/activewear will see a smaller but equally scaled number of brands.

At \$2.4 billion, digital disruptors account for approximately 20% of the Indian online fashion market and are expected to grow

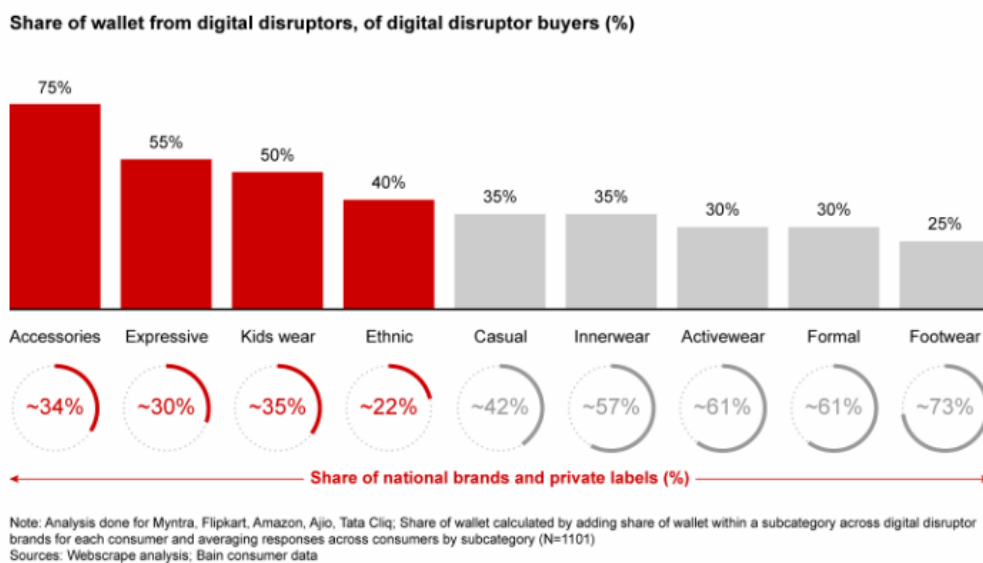


Disruptors: Driven by young customers in fragmented categories

The growth of digital disruptors will be primarily driven by Gen Z and millennials, who have a high propensity to buy fashion online. Website and app data analysis shows that 70% to 80% of the traffic to digital disruptors originates from these segments, with Gen Z accounting for 30% to 35% and millennials for 40% to 45% of the total traffic. Consumer spending analysis shows that 24% of 18-to-24-year-olds buy from digital disruptor brands, compared to just 13% of 45-year-olds and older. Gen Z and millennials will account for approximately 75% of spending on disruptors by FY28, up from approximately 70% today.

Digital disruptors are also addressing younger customers through relevant associations, for example, staying current through merchandising based on the latest pop culture themes or collaborating with end users to co-create “designs of the week” that talk to users directly (see Figure 2).

Few categories have been able to drive high digital disruptor share of wallet owing to low presence of national brands



For example, fashion accessories has historically been a fragmented category with few national brands. This category demands a very wide range, which can be hard to manage. Disruptor jewellery brands have redefined the business model here. One rapidly scaling brand has positioned itself as a “fast fashion destination” for gold jewelry. With over 17,000 designs (and an incremental approximate 1,000 added every quarter), the brand still runs on close to zero finished inventory. Reconfiguring the supply model with technology has made this possible.

Kids wear is another fragmented category with complexity arising from the number of occasions to be served, multiple sizes, and the need to provide quality products in a category with very limited willingness to pay a premium. A leading brand in this space has turned these challenges into an advantage, creating a kids wear destination serving all occasions. Depth in core products enables sharp pricing along with gross margin management. At the same time, full-funnel customer intent data enables flexible inventory management, thus keeping turns as high as six or seven, even with more than 12,000 products. Finally, the full ownership of the customer journey enables true customer lifetime value maximization.

Unlocking the potential of digital disruptors

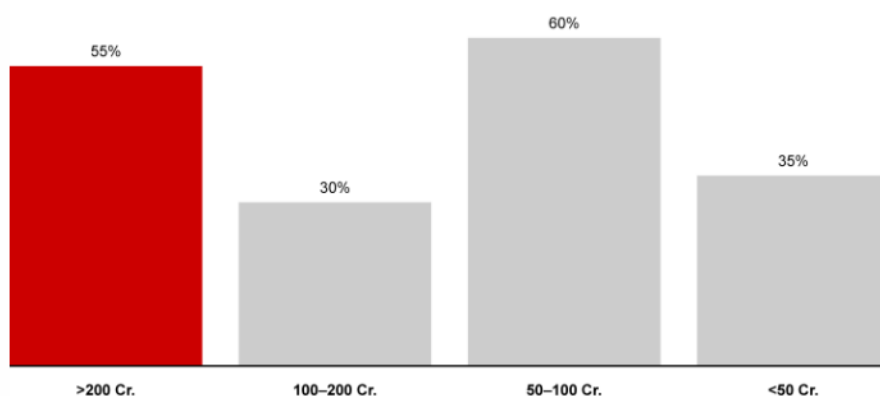
In recent years, favourable macroeconomic conditions have propelled the scaling of multiple digital disruptors. The initial growth phase up to INR 50 crore primarily revolves around establishing a product–market fit and developing a standout product to generate growth momentum. Subsequently, brands experience a breakout phase, usually between INR 50 crore and INR 100 crore, facilitated by funding that enables investments in assortment expansion, marketing, and channel expansion.

However, as brands surpass the INR 100 crore mark, they often encounter challenges in sustaining growth. These challenges arise due to unrelated product proliferation and inefficient marketing, resulting in operational complexities.

Brands that successfully break out and achieve more than INR 200 crore exhibit disciplined product expansion, structured channels, market strategies, and innovative supply chain management. Crossing the complexity barrier between INR 100 crore and INR 200 crore often leads to accelerated growth for these brands (see Figure 4).

Brands that can break the complexity barrier at INR 100–200 crore typically see high growth after that

Year-on-year growth by digital disruptor size (FY19–FY23)



Note: Cr. = INR crore
Sources: VCCEdge, Ministry of Corporate Affairs, CapIQ, Annual Report, Secondary Research

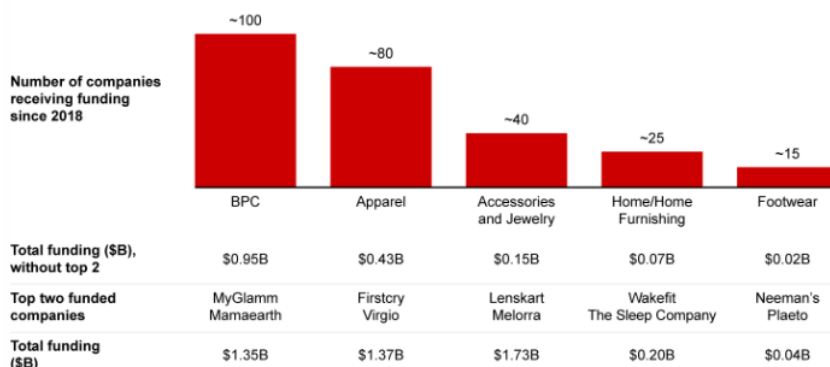
Fashion demands a heightened level of discipline due to the ease of entering subcategories through outsourced production, coupled with the inherent difficulty in scaling within new subcategories. Brands often lose sight of sustainable growth and profitability by attempting to build technology infrastructure for scaling or pursuing expansions into unrelated categories requiring substantial upfront investments. Brands can scale when they prioritize a strong focus on product development and customer-centric strategies rather than pursuing blanket channel and business expansions.

Funding to shift toward apparel

In the last five years, the highest investor interest in terms of the number of companies invested in and fund value was observed in the BPC sector, followed by apparel (see Figure 5). However, it is likely funding will shift toward apparel brands as more fashion brands demonstrate a path to profitability or scaled growth.

Unlike in BPC, the long tail of companies in fashion struggled to attract substantial investment

BPC leads in attracting funding and high investor interest across multiple companies



Note: The disclosed funding data considered was received between January 2018 and May 2023
Sources: Tracxn; Bain analysis

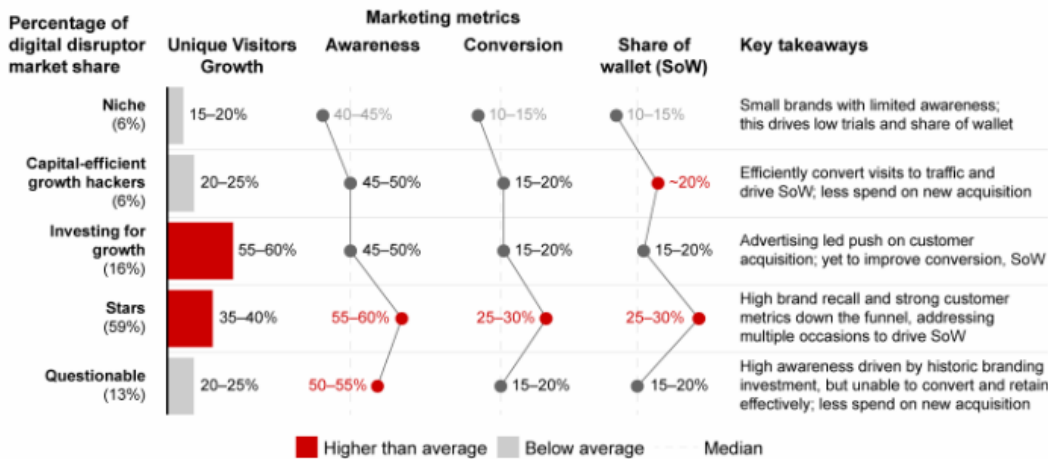
Brand archetypes

Analysis of the financial and operational metrics of over 150 digital disruptor fashion and lifestyle brands reveals five distinct growth patterns (see Figure 6). These archetypes are defined based on revenue, growth, profitability, marketing, and channel focus of brands:

- **Niche brands:** Typically up to INR 50 crore in revenue, and with 20% to 50% growth despite their low bases. Many of these brands have narrow product ranges and very focused marketing investments. Approximately 50% of brands are not funded.
- **Capital-efficient growth hackers:** Approximately 50% of these brands are also not funded. However, they have scaled to approximately INR 100 crore in revenue and grow fast, often at 70% year on year (YoY), despite limited but effective marketing spending. These brands usually have a focused product range with sharp value-led pricing and lean operations.
- **Investing for growth:** Some brands prioritize rapid growth, typically above 70% YoY from the outset, and often spend up to 50% of their revenue on marketing and brand awareness. For these brands, it's crucial to achieve profitability within a defined time frame by reducing marketing investments as organic growth gains momentum.
- **Stars:** Typically brands that have scaled profitably to more than INR 300 crore with growth above 50% YoY and positive EBITDA between 5% and 20%. Their historic investments in a sharp brand and product enabled threshold scale. The brand typically owns the customer via a strong direct to-consumer (D2C) channel, while focused technology investments enable smart pricing, range and inventory management, and lean operations.
- **Questionable:** Several brands, particularly those generating revenue between INR 100 crore and INR 400 crore, face stagnation or high losses in their business. Historic investments are in the sharp brand and product-building-enabled threshold scale. However, poor execution (inefficient marketing and lack of product discipline) has hampered profitability. This further hampers the ability to continue to invest in customer acquisition.

Core customer and operating metrics differ substantially across archetypes

Brand archetypes differ across marketing and operating metrics



Sources: MCA filings; VCCEdge; Tracxn; SimilarWeb; Bain consumer survey (N=1101); Bain analysis

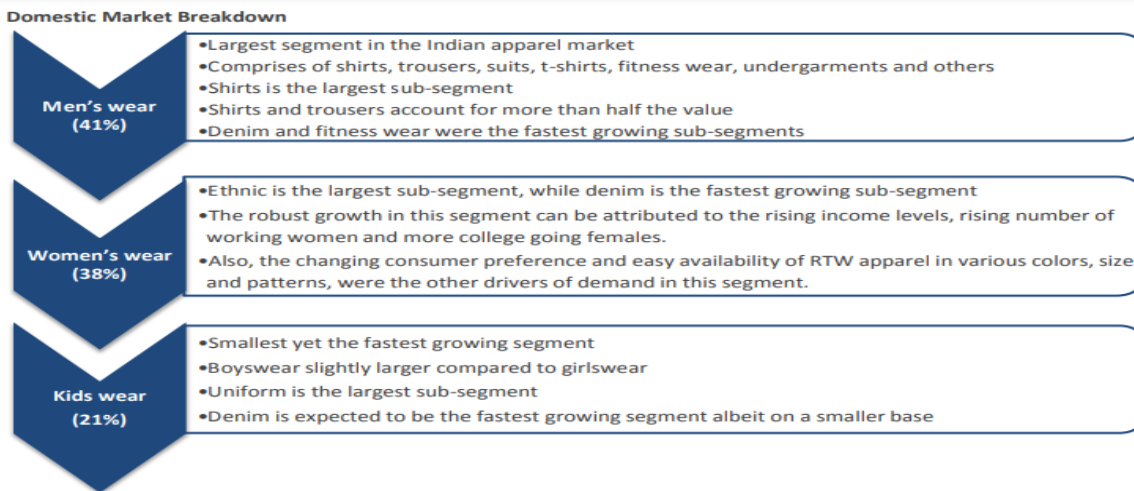
Indian Apparel Market Size:

The apparel industry has two primary segments namely, consumption within the nation and exports from the country. Export numbers of the Apparel industry are readily available; however, market size of the domestic market from a supply side is not readily available (as the size would mean combining the sales revenue of several types of entities, which do not report revenue and the data collection of the same is an inherently daunting and logistically challenging). Hence a suitable proxy from the consumption size has been utilised i.e. value of the private final consumption expenditure (PFCE) on clothing. Consequently, the total market size is a combination of export value of apparel products from India and value of PFCE on clothing in India.

The growth in apparel industry can be attributed to 1) rising per capita disposable income, 2) changing fashion trends, 3) growing consumer class, 4) rising urbanization, 5) increasing retail penetration, 6) growing service class and 7) increasing share of the designer wear. Due to the low investments required for setting up a garment unit, many small players have entered the industry making it highly fragmented. Apparel production is dominated by eight clusters, i.e., Tirupur, Ludhiana, Bangalore, Delhi NCR, Mumbai, Kolkata, Jaipur, and Indore. While Tirupur, Ludhiana and Kolkata are major centres for knitwear; Bangalore, NCR, Mumbai, Jaipur, and Indore are major centres for woven garments. Other key cities include Surat.

Domestic Market Segmentation: The domestic Indian apparel market can be broadly classified into men's wear, women's wear and kids wear. Currently, men's wear holds the largest share in the apparel market. It accounts for 41% of

the market. Women's wear contributes almost 38%, while kids wear contributes the balance 21% of the market.



Note: PFCE Clothing at current price considered as a proxy for domestic market
Source: CMIE, Industry, CARE Ratings

Activate Window

Government Regulations: In order to increase exports of textiles including readymade garments (RMG), Government has undertaken several measures, which include:

- In March 2019, the Central government approved a scheme to rebate State and Central Embedded Taxes for apparels and made-ups exports.
- Interest Equalization Scheme (IES) provides interest subsidy at 5% per annum on pre and post shipment export credit. Market Access Initiative (MAI) Scheme provides assistance to exporters to participate in various international events and invite buyers to domestic events. IGST has been exempted on import under Advance Authorisation and Export Promotion Capital Goods Scheme (EPCG) for apparel products.
- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for Readymade garments and Made ups - from 2% to 4%.
- The Government of India has increased the basic custom duty to 20% from 10% on over 500 textile products, to boost indigenous production and the Make in India program.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore during 2018-2020.
- The Amended Technology Up-gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore by 2022.
- The Integrated Wool Development Programme (IWDP) has been approved to support the entire wool sector value chain to enhance the quality and increase the production during the 2017-18 - 2019-20 period.
- The Government of India has approved a skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore from 2017-18 to 2019-20.
- The Union Ministry of Textiles, Government of India, along with Energy Efficiency Services Ltd (EESL), has launched a technology upgradation scheme called SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the powerloom sector of India.

Movement in Credit: The Apparel sector has traditionally issued debt paper for capacity expansion and has generally accounted for a significant proportion of the textile industry. Since FY10, y-o-y growth in bank credit exposure to the sector was consistently lower than the y-o-y growth in overall bank credit to industries, the last year i.e. FY18 being an exception.

Outlook

As textile production is positively correlated to GDP, reduction in economic uncertainties to revive growth in medium to long-term period. The apparel industry is largely consumption-driven and therefore, the economic cycles have a direct

impact on the performance of the industry. High growth in the GDP leads to higher per capita income which in turn increases the purchasing power of the people. Higher purchasing power leads to increased spending, thereby driving the demand for apparels and home textiles while during the economic slowdown, the spending power and in turn consumption decreases.

[https://www.careratings.com/upload/NewsFiles/Studies/Indian%20Ready%20Made%20Garments%20\(Apparel\)%20Industry.pdf](https://www.careratings.com/upload/NewsFiles/Studies/Indian%20Ready%20Made%20Garments%20(Apparel)%20Industry.pdf)

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 19 for a discussion of the risks and uncertainties related to those statements and “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations” on pages 25, 159 and 197, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated or the context requires otherwise, the financial information included herein for financial years 2021, 2022 and 2023, and the eleven months ended February 29, 2024, is based on our Restated Consolidated Summary Statements included in this Prospectus. For further information, see “Financial Statements” on page 159. Our financial year ends on March 31 of each year, and references to a particular financial year are to the 12 months ended March 31 of that year.

Unless otherwise indicated or the context requires otherwise, in this section, references to “we”, “us” or “our” refer to Forcas Studio Limited on a standalone basis. Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from publicly available information as well as other industry publications and sources. For details, please refer to the section titled “Industry Overview” on page 94.

Our company was initially established in the year 2010 as a partnership firm under the name ‘Forcas Apparels’ founded by Sailesh Agarwal and later expanded its operations and converted to *Forcas Studio Private Limited* in the year 2024 and later in the same year 2024, it was converted to a public limited Company by the name *Forcas Studio Limited*. Our Company is well known by the brand name ‘FTX’, ‘TRIBE’ and ‘Conteno’ which personifies style, attitude, value for money and comfort in the mass Men’s clothing industry.

Our Company is into Menswear and deals in men’s garments such as *Shirts, Denims, T-shirts, trousers, Cotton pants, sports-wear, party-wear, fashion wear, boxers etc.* and cater pan India through online and wholesale in our own brand and also white-labelling for other brands such as *Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail* and many more. Our Company is in the business of manufacturing and selling of menswear garments through online e-commerce platforms and wholesale under the name of ‘FTX’, ‘Tribe’ and ‘Conteno’. Our Company sales products under its own brand through the most popular retail online e-commerce platforms namely, *flipkart, Myntra, Meesho, Amazon, Ajo, Jio Mart, Glowroad, Limeroad, Solvd and Shopsy*. The wholesale business comprises of sale to wholesalers who purchase in bulk for onward sales to garment retailers in different states of the country. Further, our brand also are sold through large format stores including *V-Mart Retail, V2 Retail, City Kart, Metro Bazar, Kothari Retail and Sarvana Retails*.

We transitioned to online business in 2021 to better serve our Pan India clientele. In the two years since we went digital with our menswear product line, we have served about 15,000 plus pin codes in India giving us benefit of selling to the end consumer directly and understanding their buying pattern. Our products are available on India’s top marketplaces, and we will be adding few more marketplaces in the current fiscal year. We have received positive response from our customers for our products which is reflected customers’ rating on the marketplaces. In addition to being present on the top online marketplaces, we are also present in over 500 plus large format stores, which helps us to be visibly present in offline spaces. With more than 1200 SKUs, our product catalogue is broad and varied.

Digitalisation has made the world a smaller place and world fashion is on display like never before to the Indian masses. With our brand, we are trying to bring this aspirational fashion to the mass youth of Bharat in the fastest, most convenient and affordable manner. We offer stylish and quality menswear at affordable prices for the masses of Bharat where we see a significant opportunity for a value for money fast fashion brand. Our mission is to become the #1 Menswear company for masses of Bharat. We are currently targeting Tier-2, Tier-3 and Tier-4 cities dedicated to providing value to customers with fashionable and comfortable product ranges. We are committed to superior customer service, innovation in fashion and product quality with 95% of the products priced below ₹499/-. By having our products priced at such affordable prices we are helping the fashion hungry Indian mass customer from tier-2, tier-3, tier-4 to enjoy the latest fashion within their budget and to create an aspirational garment brand.

Our Company mainly sources fabric from the local markets of Kolkata, Surat and Mumbai, and outsources its job work to the manufacturers at Kolkata under the supervision of company personnel for designs and quality control. The finished products are then branded and delivered at our Company warehouse. After Quality checking at our warehouse, the products are further dispatched as per orders from wholesalers and e-commerce platform buyers. We also have dedicated suppliers who does the entire process from sourcing till manufacturing, and deliver us our designed garments which are then checked for quality at our warehouse. Our Company develops garments through outsourcing model crafted by proficient people. It is a known fashion house and dedicated towards providing value to customers with its fashionable and quality products range.. This gives us flexibility to easily get into new categories without any capex on plant and machinery making our business and asset light model and also help us stay faster in adding different products.

The main raw material for our operations are (i) Fabrics (ii) Accessories which includes threads, buttons, elastic, label, tag, zipper and (iii) Packing Materials

Our Company presently has four warehouses at Kolkata for the purpose of supply chain management. The finished products are shipped and sold through various e-commerce platform under the brand name 'FTX', 'TRIBE' and 'Conteno', and in large format stores. Our Company have central inventory management system and enables us to deliver order directly to our consumers.

Financial Overview:

The table below sets forth certain key operational and financial metrics for the periods indicated:

(₹ in lakhs)

| Key Performance Indicators | For the period ended February 29, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|--|--|----------------|----------------|----------------|
| Revenue from Operations | 9,607.24 | 6,960.46 | 5,320.02 | 5,051.04 |
| EBITDA | 927.59 | 450.15 | 354.57 | 341.84 |
| EBITDA Margin | 9.66% | 6.47% | 6.66% | 6.77% |
| Profit After Tax for the Year / Period | 514.75 | 117.19 | 80.71 | 58.38 |
| PAT Margin | 5.36% | 1.68% | 1.52% | 1.16% |
| ROE | 27.06% | 13.62% | 9.71% | 8.20% |
| ROCE | 18.54% | 12.97% | 10.09% | 9.98% |
| Net Debt/ EBITDA | 3.13 | 5.12 | 6.71 | 7.04 |

Our Company operates under the following model:

- Wholesale
- Retail through large format stores
- Through Online
- White Label

The table below sets forth segment-wise revenue break-up of our Company:

| Particulars | For the period ended February 29, 2024 (₹ in lakh) | % of Total Revenue from Operation | March 31, 2023 (₹ in lakh) | % of Total Revenue from Operation | March 31, 2022 (₹ in lakh) | % of Total Revenue from Operation | March 31, 2021 (₹ in lakh) | % of Total Revenue from Operation |
|---------------------------------------|--|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Own Brand | | | | | | | | |
| - Wholesale | 3,654.42 | 38.04% | 2,498.81 | 35.90% | 2,314.98 | 43.51% | 1,932.99 | 38.27% |
| - Retails Through large format stores | 348.76 | 3.63% | 822.64 | 11.82% | 1,328.10 | 24.96% | 670.93 | 13.28% |
| - Through Online Marketplace | 3,691.79 | 38.43% | 2,491.65 | 35.80% | 248.74 | 4.68% | 5.72 | 0.11% |
| Total | 7,694.97 | 80.10% | 5,813.10 | 83.52% | 3,891.82 | 73.15% | 2,609.64 | 51.67% |

| | | | | | | | | |
|---------------------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| White-label manufacturing | 1,912.27 | 19.90% | 1,147.36 | 16.48% | 1,428.19 | 26.85% | 2,441.41 | 48.33% |
| Total | 9,607.24 | 100.00% | 6,960.46 | 100.00% | 5,320.02 | 100.00% | 5,051.04 | 100.00% |

OUR PRODUCT PORTFOLIO:

We offer a broad range of products creating signature designs within the Indian menswear segment, including *Shirts, Denims, T-shirts, trousers, Cotton pants, sports-wear, party-wear, fashion wear, boxers etc.* Our products cater to youth of urban Bharat and we trust that this further enhances our brand loyalty.



T-Shirts



Shorts & Boxers



Trousers



Track Pants & Joggers



Shirts





Our Company products are available under our own brand at the most popular retail online e-commerce marketplaces namely, *flipkart, Myntra, Meesho, Amazon, Ajio, Jio Mart, Glowroad, Limeroad, Solvd and Shopsy*. The wholesale business comprises of sale to wholesalers who purchase in bulk for onward sales to garment retailers in different states of the country Further, our brand also sold through large format stores including *V-Mart Retail, V2 Retail, City Kart, Metro Bazar, Kothari Retail, Sarvana Retail*s.

We undertake white-label manufacturing for *Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail* and many more.

As of February 29, 2024, we had delivered our products in 15,000 plus pin codes in India for orders placed through online e-commerce marketplaces spread across Pan India. Our product style, quality and price not only enables us to cater the fashion needs of masses and offers a superior shopping experience to customers but also allow us to be a well-diversified menswear company across all regions of India.

We believe that fashion is a powerful form of self-expression, accordingly, we take pride in offering an extensive range of men’s readymade garments, including:

Stylish Clothing: We have everything from formal wear to casual attire in our clothing inventory of latest fashion. We provide all of the essential men's clothing items, including jackets, boxers, trousers, T-shirts, formal shirts, and many more.

Varied Fabrics: To offer latest style and an exceptional fit, we are dedicated to utilising only the best suited fabrics. We use varied fabrics that suits to our moto of providing style and fit. Our consumers have shown us a great deal of love for our products.

Expert Styling: To provide you with the latest designs and wardrobe inspiration, our team of fashion specialists closely monitor international trends. We promise to assist you in creating your distinctive style. Right now, our design takes 18 days to deliver the most recent trend cycle.

We are dedicated to providing latest men’s fashion, with a strong commitment to customer satisfaction.

The table below shows the distribution of our revenue business model as on February 29, 2024:

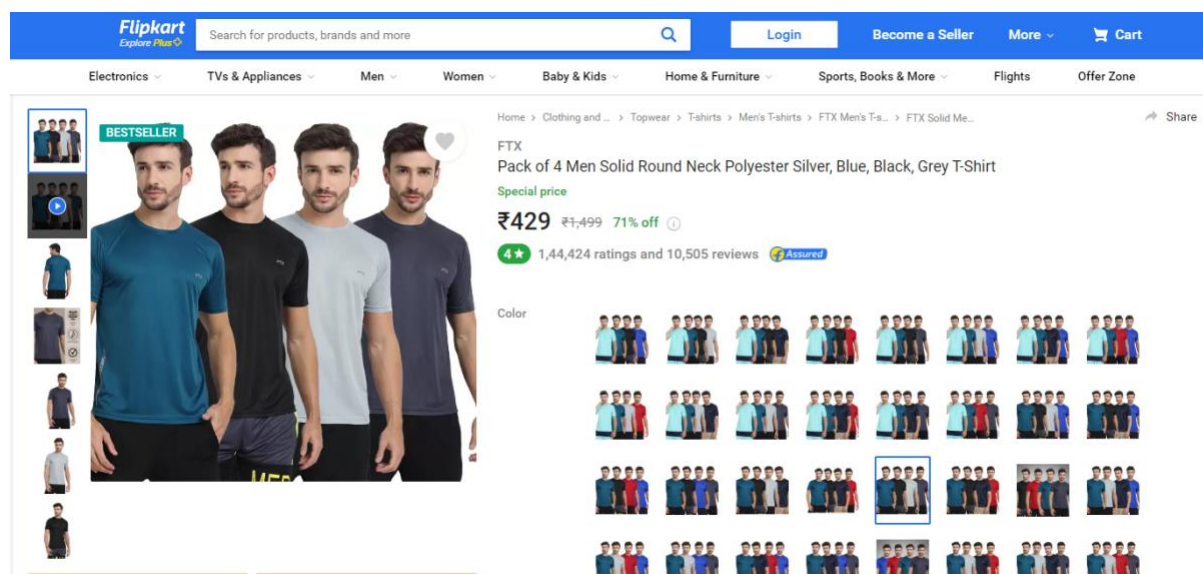
| Platform | February 29, 2024 | | March 31, 2023 | | March 31, 2022 | | March 31, 2021 | |
|----------|-------------------|------------|----------------|------|----------------|------|----------------|------|
| | (₹ in lakh) | % of Total | (₹ in lakh) | % of | (₹ in lakh) | % of | (₹ in lakh) | % of |

| | Revenue from Operation | | Total Revenue from Operation | | Total Revenue from Operation | | Total Revenue from Operation | |
|---------------------------|------------------------|----------------|------------------------------|----------------|------------------------------|----------------|------------------------------|----------------|
| Online Own brand | 3,691.79 | 38.43% | 2,491.65 | 35.80% | 248.74 | 4.68% | 5.72 | 0.11% |
| Offline Own brand | 4,003.18 | 41.67% | 3,321.45 | 47.72% | 3,643.08 | 68.48% | 2,603.92 | 51.55% |
| White-label manufacturing | 1,912.27 | 19.90% | 1,147.36 | 16.48% | 1,428.19 | 26.85% | 2,441.41 | 48.33% |
| Total | 9,607.24 | 100.00% | 6,960.46 | 100.00% | 5,320.02 | 100.00% | 5,051.04 | 100.00% |

The table below shows the distribution of our revenue across various online platforms:

| Platform | February 29, 2024 | | March 31, 2023 | | March 31, 2022 | | March 31, 2021 | |
|--------------|-------------------|--|-----------------|--|----------------|--|----------------|--|
| | (₹ in lakh) | % of Total Revenue from online platforms | (₹ in lakh) | % of Total Revenue from online platforms | (₹ in lakh) | % of Total Revenue from online platforms | (₹ in lakh) | % of Total Revenue from online platforms |
| AJIO | 10.97 | 0.30% | - | - | - | - | - | - |
| Amazon | 580.39 | 15.72% | 22.85 | 0.92% | 9.07 | 3.65% | 0.93 | 16.23% |
| Dhani | 22.48 | 0.61% | 0.04 | 0.00% | - | - | - | - |
| Flipkart | 2,405.76 | 65.17% | 2,149.26 | 86.26% | 147.50 | 59.30% | 3.82 | 66.81% |
| Jio Mart | 12.74 | 0.35% | 5.80 | 0.23% | - | - | - | - |
| Meesho | 133.95 | 3.63% | 313.63 | 12.59% | 92.17 | 37.05% | 0.97 | 16.96% |
| Myntra | 130.26 | 3.53% | 0.06 | 0.00% | - | - | - | - |
| SOLV | 395.23 | 10.71% | - | - | - | - | - | - |
| Total | 3,691.79 | 100.00% | 2,491.65 | 100.00% | 248.74 | 100.00% | 5.72 | 100.00% |

Early on in our journey, we recognized the importance of the online channel and building our digital capabilities. Hence, we sell our products through online marketplaces such as *flipkart*, *Myntra*, *Meesho*, *Amazon*, *Ajio*, *Jio Mart*, *Glowroad*, *Limeroad*, *Solvd* and *Shopsy*.





FTX Men Solid Grey Track Pants

Special price ₹449 ₹1,249 64% off

4.8 star 187 ratings and 165 reviews



Available offers Bank Offer 10% instant discount on SBI



Home > Clothing and ... > Innerwear an... > Boxers > Men's Boxers > FTX Men's

FTX Checkered Men Boxer

Special price ₹79 ₹699 88% off

Minimum Order Quantity:4 3.3 star 4,804 ratings and 426 reviews Assured



Available offers Bank Offer 10% instant discount on SBI Credit Card EMI Transactions Bank Offer Get ₹25* instant discount for the 1st Flipkart Order using f Bank Offer Extra ₹2,000 off on SBI Credit Card EMI Transactions on a Special Price Get extra 71% off (price inclusive of cashback/coupon) +3 more offers

ADD TO CART BUY NOW

Deliver to

Amazon Fashion Women Men Kids Bags & Luggage



T-Shirts for Men by FTX
FTX Men's T-Shirt

-58% ₹339.00 ₹799.00

Back to results



Visit the FTX Store
FTX Men's Dri-Fit Round Neck T-Shirt - Pack of 1 (723)

1,328 ratings | Search this page
6.7 ★★★★★
50+ bought in past month

-62% ₹379
M.R.P.: ₹999

8 Fulfilled
Inclusive of all taxes

Offers

Bank Offer
Upto ₹250.00 discount on Citi Cr...

4 offers >

Partner Offers
Get GST invoice and save up to 28% on...

1 offer >

- 10 days Return & Exchange
- Pay on Delivery
- Free Delivery
- Top Brand
- Amazon Delivered

Size:

AJIO

Sign In / Join AJIO Customer Care Visit AJIOLUXE

MEN WOMEN KIDS BEAUTY HOME AND KITCHEN

Search AJIO

Home / Men / Western Wear / Shirts / Men Striped Regular Fit Shirt



FTX
Men Striped Regular Fit Shirt

4.5 ★ 2 Ratings

₹420

M.R.P. ₹1,050 (60% OFF)
Price inclusive of all taxes

Offer
Get it for ₹399
Use Code MARK T&C
Extra Upto 26% Off on Rs.2589 and Above. Max Discount Rs.1000. [View Products](#)

-16 More

Grey

Select Size

S M L XL

Select your size to know your estimated delivery date.

ADD TO BAG

LimeRoad WOMEN MEN KIDS HOME OFFERS VMART

home » men » clothing » top wear » sweatshirts » men yellow graphic printed fleece sweatshirt



Men Yellow Graphic Printed Fleece Sweatshirt

Brand FTX

4.5 ★★★★★

LR Trusted



SELECT SIZE

SIZE CHART

S M L XL

SELECT COLOUR



M.R.P. : ₹ 1185
Price : ₹ 654
Today's Price : ₹ 549
You Save : ₹ 836 (60%)

M.R.P. inclusive of all taxes



6-170013801

Add to Cart

Buy Now

FTX Men's Gym vests

₹253 ~~₹331~~ 24% off

4.1 ★ 916 Ratings, 218 Reviews

Free Delivery

Mall Original Brand Authorised Store

Select Size

S M L XL

Product Details

Name : FTX Men's Gym vests
 Fabric : Polyester
 Sleeve Length : Sleeveless
 Pattern : Solid
 Net Quantity (N) : 2
 Feel at ease with this breezed and comfortable



Home / Clothing / Men Clothing / Lounge Pants / FTX Lounge Pants > More By FTX



FTX

Men Polka Dot Printed Cotton Lounge Pants

4.5 ★ | 17 Ratings

₹744 MRP ₹2403 (69% OFF)

Inclusive of all taxes

MORE COLORS



SELECT SIZE SIZE CHART >

S M L XL

ADD TO BAG

WISHLIST

DELIVERY OPTIONS

Enter pincode

Please enter DM code to check delivery time & delivery charges.



5 products in collection

4.2 ★ (3061 Supplier Ratings) ⓘ



FTX Solid Men Cotton Rich Round Neck Light Blue Tshirt



₹167 ₹969 83% off ⓘ

⚡ 29h : 18m : 58s Free Delivery

🔒 ₹159 Platinum Price

Unlock >

Select Size

SIZE CHART





Buy Now

Add to Cart

We believe that the capabilities that we have built by digitally orienting our business model have conferred upon us a competitive advantage over traditional peers, and will continue to help us identify and exploit fast evolving consumer trends, rapidly build reach and scale, and continue to maintain strong brand equity. The company offers a wide range of products to customers under different brand names.

| Brand | Product Portfolio | Logo |
|-------|--|------|
| FTX | Shirts, Denims, Jacket, T-shirts, trousers, Cotton pants, sports-wear, party-wear, fashion wear, boxers, shorts, track pants, sweat shirts, cord sets, track suits | |

We have also the below brands in which we will be coming up the below mentioned products:

| Brand | Product Portfolio | Logo |
|----------------|-------------------|---|
| <i>Tribe</i> | Women's wear |  |
| <i>Conteno</i> | Kid's wear |  |

The Table below sets forth details of *FTX* brand contribution to our revenue:

| Brand | February 29, 2024 | | March 31, 2023 | | March 31, 2022 | | March 31, 2021 | |
|------------|-------------------|-----------------------------------|----------------|-----------------------------------|----------------|-----------------------------------|----------------|-----------------------------------|
| | (₹ in lakh) | % of Total Revenue from Operation | (₹ in lakh) | % of Total Revenue from Operation | (₹ in lakh) | % of Total Revenue from Operation | (₹ in lakh) | % of Total Revenue from Operation |
| <i>FTX</i> | 7,694.97 | 80.10% | 5,813.10 | 83.52% | 3,891.82 | 73.15% | 2,609.64 | 51.67% |

We are led by a highly experienced senior management team with our Managing Director, Sailesh Agarwal, continuing to be involved in strategic planning, conceptualization, design and production development, who has been intimately involved in the business for 15 years, has overseen the development of our business strategy and has extensive expertise in sourcing, designing, retailing and establishing distribution channel partnerships. Sailesh Agarwal is the architect of our strategic vision and has demonstrated his ability to successfully create, build and grow our brands and business.

We are also supported by an experienced management team of cross-functional professionals with expertise covering all aspects of our business, an experienced Board of Directors.

We aim to leverage the strength of our brands to offer a superior shopping experience to our customers by further developing our position across a wide range of menswear, women-wear and kids-wear, our distribution channels (both online and offline) and geographies domestically. We believe that we are well positioned to achieve this vision through the investments that we have made in our brands, our understanding of the diverse preference of our consumers, our strong channel relationships, our strong digital retail presence, our robust design and supply chain capabilities and our highly experienced management team, all of which have shaped our existing track record and our leading position in the Indian wear category.

Our Retail Network

The retail segment of the Company can largely be divided into two verticals; being:

- Large Format Stores
- Online Market Place

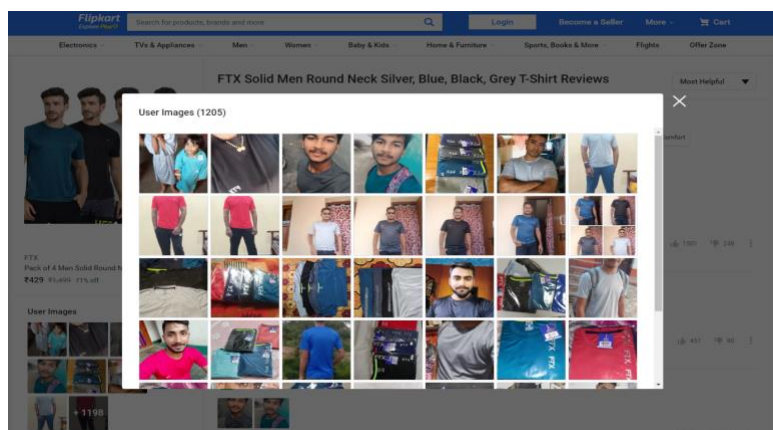
Large Format Stores

Our products are sold in multi-brand garment stores across the country. Large format large format stores like *V-Mart Retail, V2 Retail, City Kart, Merto Bazar, Sarvana Retails etc.* Buy our branded products from us directly and sell in their stores. Small multi branded outlets and zonal retail chains also sell our branded products buying it from our wholesale network... In addition to being present on the top online marketplaces, we are also present in over 500 plus large format stores and many small MBOs, which helps us to be visibly present in offline spaces. With more than 1200 SKUs, our product catalogue is broad and varied. The Stores are located in various cities of the country. The photos of our product in multi brand store are:

| Particulars | For the period ended February 29, 2024 (₹ in lakh) | % of Total Revenue from Large Format Stores | March 31, 2023 (₹ in lakh) | % of Total Revenue from Large Format Stores | March 31, 2022 (₹ in lakh) | % of Total Revenue from Large Format Stores | March 31, 2021 (₹ in lakh) | % of Total Revenue from Large Format Stores |
|-----------------------------------|--|---|----------------------------|---|----------------------------|---|----------------------------|---|
| Reliance Retail Limited | 11.46 | 1.82% | 222.53 | 27.05% | 482.07 | 36.30% | - | 0.00% |
| Lifestyle International Pvt. Ltd. | 169.95 | 26.95% | - | 0.00% | - | 0.00% | - | 0.00% |
| V2 Retail Ltd | 26.71 | 4.24% | 79.78 | 9.70% | - | 0.00% | 23.40 | 3.49% |
| Vmart Retail Limited | 147.87 | 23.45% | 125.92 | 15.31% | 122.44 | 9.22% | - | 0.00% |
| Citykart Stores Pvt. Ltd. | 9.66 | 1.53% | 19.66 | 2.39% | 9.29 | 0.70% | 12.20 | 1.82% |
| Sarvana Stores | 12.72 | 2.02% | - | 0.00% | - | 0.00% | - | 0.00% |
| Sarathas | 8.96 | 1.42% | - | 0.00% | - | 0.00% | - | 0.00% |
| Sri Veeras Creations | 3.51 | 0.56% | - | 0.00% | - | 0.00% | - | 0.00% |
| Rainbow Exim Trade LLP | 104.02 | 16.49% | 191.50 | 23.28% | 212.46 | 16.00% | 44.83 | 6.68% |
| Kontail Retail Apparel | 42.82 | 6.79% | 25.69 | 3.12% | 52.81 | 3.98% | 2.83 | 0.42% |
| Arjun Exports | 14.76 | 2.34% | - | 0.00% | - | 0.00% | - | 0.00% |
| V.G.P. Apparels | 13.52 | 2.14% | - | 0.00% | - | 0.00% | - | 0.00% |
| More Retail Ltd | - | 0.00% | - | 0.00% | 21.19 | 1.60% | 104.57 | 15.59% |
| Avenue Supermarts Ltd.(D-Mart) | - | 0.00% | - | 0.00% | - | 0.00% | 426.34 | 63.55% |
| KC Garments Pvt. Ltd. | 64.73 | 10.26% | 155.32 | 18.88% | 420.95 | 31.70% | 52.87 | 7.88% |
| Kothari Retail Pvt. Ltd. | - | 0.00% | 2.23 | 0.27% | 6.90 | 0.52% | 3.08 | 0.46% |
| Megashop Retail LLP | - | 0.00% | - | 0.00% | - | 0.00% | 0.80 | 0.12% |
| Total | 630.71 | 100.00% | 822.64 | 100.00% | 1,328.10 | 100.00% | 670.93 | 100.00% |

Online Market Place

Our men's fashion brand having presence in more than 15,000 plus pin codes nationwide through online marketplaces that enable us to efficiently manage our inventory, which ultimately will improve our turnover, efficiency and overall profitability. Presently, we provide a broad range of products to our customers which increases the scope of our customers on online marketplace i.e. *flipkart, Myntra, Meesho, Amazon, Ajo, Jio Mart, Glowroad, Limeroad, Solvd and Shopsy*. Our products are available on India's top marketplaces, and we will be adding few more marketplaces in the current fiscal year. We have received positive response from our customers for our products which is reflected customers' rating on the marketplaces.



The following is the metrics of our online turnover:

| Platform | February 29, 2024 | | March 31, 2023 | | March 31, 2022 | | March 31, 2021 | |
|--------------|-------------------|--------------------------------------|-----------------|--------------------------------------|----------------|--------------------------------------|----------------|--------------------------------------|
| | (₹ in lakh) | % of Total Revenue from online sales | (₹ in lakh) | % of Total Revenue from online sales | (₹ in lakh) | % of Total Revenue from online sales | (₹ in lakh) | % of Total Revenue from online sales |
| AJIO | 10.97 | 0.30% | - | - | - | - | - | - |
| Amazon | 580.39 | 15.72% | 22.85 | 0.92% | 9.07 | 3.65% | 0.93 | 16.23% |
| Dhani | 22.48 | 0.61% | 0.04 | 0.00% | - | - | - | - |
| Flipkart | 2,405.76 | 65.17% | 2,149.26 | 86.26% | 147.50 | 59.30% | 3.82 | 66.81% |
| Jio Mart | 12.74 | 0.35% | 5.80 | 0.23% | - | - | - | - |
| Meesho | 133.95 | 3.63% | 313.63 | 12.59% | 92.17 | 37.05% | 0.97 | 16.96% |
| Myntra | 130.26 | 3.53% | 0.06 | 0.00% | - | - | - | - |
| SOLV | 395.23 | 10.71% | - | - | - | - | - | - |
| Total | 3,691.79 | 100.00% | 2,491.65 | 100.00% | 248.74 | 100.00% | 5.72 | 100.00% |

OUR COMPETITIVE STRENGTHS:

The Company has firmly established itself in the readymade menswear segment through online marketplaces, large format stores and white-label manufacturing. Our designs, fit and varied fabric has made it possible for the Company to provide fashionable menswear to its customers at affordable prices. In addition to our brands with their market positions, presence through large format stores, white-label manufacturing and robust network of online marketplaces, we have built a strong set of capabilities and key enablers, including (i) product design, (ii) sales and marketing and (iii) a dedicated and highly experienced management team, which we believe would be challenging for new and existing market participants to replicate. These capabilities allow us to tap into emerging opportunities within our market segments and will allow us to approach wider market opportunities that are available in other adjacent consumer categories.

Some of the specific strengths of the Company are provided as below:

Product Design

Our flagship brand FTX has been a 'category creator' in the Menswear segment in urban Bharat. In order to offer new and varied products to our customers throughout the year, we focus on creating innovative designs with an emphasis on style and fashion. Our design and development process involves deep understanding of the needs of the customers, detailed analysis and research on prevailing fashion trends and consumer tastes and preferences which we collect through various system-driven processes, including data analysis, market surveys, international fashion websites, own research team and feedback received from our customers..

We have an in-house design and merchandising team with a deep understanding of customer requirements and strong market research and data analysis capabilities, with the ability to design and develop products across all our categories. As of February 29, 2024, our design team and our retail merchandising team consisted of 5 members. These teams, together, carry out our institutionalized product development process, which includes data analysis, research and trend forecasting, concept and story development, design sketching, styling, sample development and presenting ideas to our management team for their review and inputs. We design and release new products throughout the year.

We have a robust screening and selection process for all new design samples, and once a new design is introduced to the market. As of February 29, 2024, our in-house design and merchandising team had created various styles since 2019.

Wide market Outreach

Our products are available on India's top marketplaces, and we will be adding few more marketplaces in the current fiscal year. Our Company products are available under our own brand at the most popular retail online e-commerce marketplaces namely, *flipkart, Myntra, Meesho, Amazon, Ajio, Jio Mart, Glowroad, Limeroad, Solvd and Shopsy*. Our Company currently serves about 15,000 plus pin codes in India and over 500 plus large format stores with more than 1200 SKUs. The Company is presently targeting Tier-2, Tier-3 and Tier-4 cities dedicated to providing value to customers with fashionable and comfortable product ranges. We are constantly expanding our reach in each of the states of India.

Offering fashion to youth of Bharat

Garment and fashion are a fast-paced segment that is continuously adapting to the latest trends. Our Company through its designing team always remains ahead of the trend by delivering the latest designs and fashionable garment to our target customers at competitive prices. We offer stylish and varied menswear at affordable prices for the masses of Bharat where we see a significant opportunity for a value for money fast fashion brand. Our mission is to become the #1 Menswear company for masses of Bharat.

Sales & Marketing

We continue to enhance our business operations by ensuring that our network of customers increases through our marketing efforts. Our core competency lies in our deep understanding of our customers' buying preferences and behavior, which has helped us in achieving customer loyalty. We produce distinctive marketing and advertising campaigns that generate high customer engagement. We market our products strategically on the market places we are listed on helping our visibility reach millions of customers coming to buy men's wear garments on these online market places and helping us convert maximum number of sales. . We also do influencer marketing through regional influencers to help our brand penetrate deeper in the country.

Our sales and marketing strategies aim to increase brand awareness, acquire new customers, market new concepts, drive customer traffic across our retail channels and strengthen and reinforce our brand image. This also enables us to achieve repeated orders for our own brand products from large format stores.

We do not have any long term agreement for supply of white-label manufacturing. Our management and marketing teams ensures regular communication with the brands to ensure repeated orders.

Highly experienced management team

We are led by a group of individuals, having an experience of about two decades and have a proven background and rich experience in the garment industry. We commenced operations in 2010 and since then led by Sailesh Agarwal, Managing Director, who has been intimately involved in the business, has overseen the development of our business strategy and has extensive expertise in sourcing, designing, retailing and establishing distribution channel partnerships. Sailesh Agarwal is the architect of our strategic vision and has demonstrated his ability to successfully create, build and grow our brands and business.

Furthermore, we are also supported by a strong and experienced management team of cross-functional professionals with expertise covering all aspects of our business, an experienced Board of Directors. Our management team have

strong management, execution capabilities and considerable experience in this industry. We have employed suitable technical and support staff to manage key areas of activities allied to operations. Our team is well qualified and experienced in garment industry and has been responsible for the growth of our operations. We believe the stability of our management team and the industry experience brought in coupled with their strong reputes, will enable us to continue to take advantage of large young urban Bharat market and expand our product portfolio. For further details of the educational qualifications and experience of our management team and our Key Managerial Personnel, please refer to the section titled “Our Management” on page 146 of this RHP.

Strong customers and suppliers relationship

Established relationship with customers and suppliers ensures stability in demand and an uninterrupted supply of raw materials. We have maintained long-standing relationship with our major customers for white-label manufacturing since our inception in 2010. We use our data of online sales and customer behavior to identify the demand in different states of the country. We then share this demand with our wholesalers helping them sell precise products in larger volumes in the offline MBO market. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our customers represents a competitive advantage in gaining new clients and increasing our business.

The Company currently sources its raw fabric from the local markets of Kolkata, Surat and Mumbai. Other material required for our operation are source locally from Kolkata. There is no agreement with any of the suppliers, but our Company enjoys strong relationship with our suppliers and uninterrupted supplies.

Wide range of Products:

We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base. We have everything from formal wear to casual attire in our clothing inventory of latest fashion. We provide all of the essential men's clothing items, including jackets, boxers, trousers, T-shirts, formal shirts, and many more. We are dedicated to providing latest men's fashion with a strong commitment to customer satisfaction.

Product wise break up of our revenue from operations are as under:

| Particulars | For the period ended February 29, 2024 (₹ in lakh) | % of Total Revenue from Operation | March 31, 2023 (₹ in lakh) | % of Total Revenue from Operation | March 31, 2022 (₹ in lakh) | % of Total Revenue from Operation | March 31, 2021 (₹ in lakh) | % of Total Revenue from Operation |
|--------------------------------|--|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|-----------------------------------|
| Denims | 472.68 | 4.92% | 178.19 | 2.56% | - | - | - | - |
| Men's Shirts & T-shirt | 2,821.65 | 29.37% | 1,894.64 | 27.22% | 1,097.52 | 20.63% | 991.52 | 19.63% |
| Men's Trousers and Pants | 1,081.78 | 11.26% | 686.30 | 9.86% | 283.02 | 5.32% | 265.68 | 5.26% |
| Sports-Wear | 2,901.39 | 30.20% | 2,063.78 | 29.65% | 1,835.94 | 34.51% | 1,746.65 | 34.58% |
| Party-wear and fashion wear | 162.36 | 1.69% | 356.38 | 5.12% | 240.46 | 4.52% | 285.38 | 5.65% |
| Boxers, Shorts and track pants | 2,167.39 | 22.56% | 1,781.18 | 25.59% | 1,863.07 | 35.02% | 1,761.80 | 34.88% |
| Total | 9,607.24 | 100.00% | 6,960.46 | 100.00% | 5,320.02 | 100.00% | 5,051.04 | 100.00% |

Our Business Strategy:

Fashion at affordable price

We are committed to superior customer service, innovation in fashion and product quality with 95% of the products priced below ₹499/-. We offer stylish and quality menswear at affordable prices for the masses of urban Bharat where we see a significant opportunity for a value for money fast fashion brand. Our mission is to become the #1 Menswear company for masses of urban Bharat. We are currently targeting Tier-2, Tier-3 and Tier-4 cities dedicated to providing value to customers with fashionable and comfortable product ranges.

As part of our growth strategy, we intend to focus on increase in volume of sales by increasing our presence on

marketplaces in addition to the existing ones.

Product Pricing

We are committed to fashionable products to our customers in urban Bharat at affordable price. 95% of the our products are priced below ₹499/-. We arrive at a pricing point for each of our products through a detailed mechanism that takes into consideration a range of factors, including seasonal trends and costs incurred in connection with procurement, production, marketing and other ancillary expenses. Our products are uniformly priced across large format stores and the online channel, subject to seasonal trends and discounts, and we strive to ensure that our products remain aspirational yet value for money for our customers. We exclusively manage and regulate the prices at which our products are sold across our large format stores and the online channel.

Increase online presence

As part of our growth strategy, we intend to focus on increase in volume of sales by increasing our presence on marketplaces in addition to the existing ones. Going forward we plan to establish our presence in the more regions. Our emphasis is on expanding the scale of our operations as well as growing our supply chain network.

Leverage and enhance our brand name:

We believe that our brand commands a recall amongst our target customers due to its latest design, fit and price. We intend to leverage the brand equity that we enjoy.

Improving operational efficiencies:

Our Company intends to improve operating efficiencies to achieve cost reductions. We will be addressing the increase in operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through economies of scale. We believe in strong in-house management to control the entire process. It controls costs by eliminating unnecessary intermediaries for procuring materials in cost efficient manner by optimizing logistics and maximizing labour efficiency.

DETAILS OF OUR BUSINESS

Manufacturing and Distribution Infrastructure

Our procurement, outsourced manufacturing, supply chain and distribution processes are based upon data analytics, with every stage being system-driven. This includes the procurement of materials, allocation of manufacturing to different outsourced manufacturers, inventory management and store replenishment. As a result, we are able to accurately forecast, plan and optimize our operations and ensure that we can meet the needs of our customers. We operate a fully integrated supply chain with high-end quality control standards in the procurement of fabric, an essential component used for the manufacturing of our products.

Our manufacturing process is outsourced which provides an attractive return on capital for our business. We engage our manufacturers on job work basis, so as to maintain our low-cost business model, and production is allocated on a purchase order basis. The factories provide us with manufacturing services strictly in compliance our quality standards and requirements. We have longstanding relationships with these manufacturers.

We also directly procure finished products, such as Denim Pants, Men's Shirts, Men's T-Shirts, Formal/Casual Pants, from third party manufacturers which, once delivered to our centralised warehouse, undergo stringent quality checks. After passing these checks, the goods are dispatched to our customers and for our online retail inventory. Our inventory management processes allow for system-driven distribution and replenishment of inventory and management of our product portfolio through data- driven forecasting of evolving fashion trends across India.

Our Company is not into trading business of any kind. We get our finished garments made from third party manufacturer / job workers in our brand with our specification, trims, style, size etc. The third-party manufacturer / job workers get

the material approved from our quality control team and then undertake the manufacturing under the complete supervision of our Company personnel as a part of quality control measure. Then, we check the same for fabric quality before accepting them. These are then sold through our Sales Channels. This is a standard process in garments industry where any company who is in the process of building a brand outsources some products directly as per specification to fast pace its launches and to meet demands. This helps us not to be completely dependent on existing suppliers and get specialized suppliers for particular products connected with the brand.

Design and Merchandising

Inhouse Team: We have well equipped and skilled designing and production team. From designing of garments to making sure production as per our requirements are done, the whole process is taken up by in-house team.

The process starts with requirements of category of products coming from our marketing team and changing fashions trends, then after the merchandising team plans the SKU range, price range as our target audience and designing of product begins. Samples as per the designs made are prepared in-house which are afterwards provided to the sales and store operation team to review the viability of the product. Once reviewed the same is planned for mass production as per our quantities required.

Product designing is very important part of our business, considering the same, we already have an experienced team for product designing which gives us an advantage to analyze before taking up any production plan.

The whole merchandising process is closely monitored and directed by the top management. We have been working with multiple vendors for multiple categories as we have more than 1 vendor for each category so we have advantage of price negotiation with the supplier on clear terms.

Our design team stays sharp by getting various inputs channeling new information into their creative tanks. Our in-house design team has love for the product and the process too.

Below are some of the responsibilities our merchandising and designing team fulfils:

- Collaborating with suppliers, manufacturers, and wholesalers to ensure proper execution of merchandising plans
- Ensuring retailer compliance with merchandising strategies
- Gathering information on market trends and customers' reactions to products
- Analyzing sales data - reporting growth, expansion, and change in markets

Market research and data analysis: The Indian readymade industry is driven through many factors and the Indian consumers are influenced through many driving factors such as fashion trends, design of the product and pricing of product. To make sure we have all the parameters matched we have our internal research of the product before launching any product.

As we have operate pan India with a specific focus on youth of Bharat, products are to be prepared as per the geographical trend in Men's wear category. The merchandising team has been provided with many options to run research on any product before launching it in the market.

Merchandising takes into account how our products are rated by our consumers in online reviews on marketplaces, and applies certain techniques to make those rating as impactful as possible. It consists of activities carried out by both marketing and sales, such as organizing shelves, social media promotion, and tracking results of merchandising efforts. The biggest advantage of an in-house design team is that it enhances the relationships with the customers. One of the joys in working with an in-house design team is they are immersed in our brand. They understand the brand, our business, how one wants to be perceived by consumers, marketing goals—and they make sure that every decision reflects our brand. Each designer on the in-house design team brings unique industry experience and knowledge, which benefits from time after time. When an in-house design team tells it will take a certain amount of time, one can be rest assured, knowing we are getting a quality product without the inflated timeline.

The value of Brand for an in-house design team is the most important part. This goes beyond simply creating fashion and defining strategy, to actively controlling what is produced and distributed externally.

Inventory and logistics

Our Company has adequate storage capacity for its inventory holding located at the heart of Kolkata. The warehouse is spread across 30,000 sq. ft. of carpet area with main highway road connectivity. The warehouse has proper Electricity supply, Electrical fittings, IT infra as computers, printers, scanners for the team to effectively work. The warehouse also has 250 Storage racks which gives approx. storing capacity of more than 8 (eight) lakhs garments and also adequate space to stock more than 3 (three) lakhs meters of fabric and other raw materials

As the warehouse is located in Kolkata and to the main road transportation facility of inward and supply to stores is available very easily. Labours as and when required are available from local area as to manage the loading and unloading of transport vehicles. Any stock inward is first received at warehouse and quantity is confirmed. After which it is stacked as per the product category and dispatch is done regularly as per the requirements.

Quality Control and Quality Assurance

We are committed to maintaining high quality standards throughout our sourcing, manufacturing and distribution cycles, and have established quality control measures in various facets of our supply chain, including fabric and garment inspections, quality tracking at manufacturers places. We retain control over quality of manufacturing by procuring and providing all raw materials including but not limited to fabrics and other accessories according to our standard operating processes.

In addition, as part of our quality control measures, we regularly inspect the premises, facilities and the manufacturing processes of our factories and require them to return all unutilized raw materials. We have a dedicated quality assurance team responsible for ensuring compliance with our established quality standards.

Sales and Marketing

Internet Marketing: Internet marketing, or online marketing, combines web and email to advertise and drive e-commerce sales.

There's also a lot to be said about online reviews and opinions. Word-of-mouth advertising is unpaid, organic, and powerful because those people who have nice things to say about our product generally have nothing to gain from it other than sharing good news. A recommendation from a friend, colleague, or family member has built-in credibility and has spur dozens of leads who anticipate positive experiences with our brand. We strategize ad-campaigns on online market places to increase our visibility to the millions of customers visiting the websites everyday. This help us to reduce our marketing spend while increased lead generation and has given us an additional marketplace insight.

Industry Events/B2B Marketing: In-person and online tradeshows has remained a top B2B networking tool, due to gathering of companies into one location, whether physical or virtual, to connect and demonstrate our latest products. Trade shows give us the chance to establish or strengthen relationships with key industry partners, customers, and prospects; identify market trends and opportunities; and gain an understanding of what our competitors are offering in the market.

Future Outlook for Marketing Strategy: We are planning mass level activity like paper advertisement, high level social media marketing, radio marketing and engaging a brand ambassador. Our primary focus will be more on social media marketing.

Information Technology

We believe that a robust IT infrastructure is essential for ensuring strong operational efficiencies and enhancing productivity and we continue to focus on building and improving our IT capabilities. In order to better connect with our customers, we regularly update our websites and social media channels to include unique features through which our customers can better engage with our products and can view digital catalogues with our diverse product offering. Our Company uses tally for its accounting purpose and all the invoices and banking is done in the accounts of tally.

COMPETITION

At the time of commencement of our operations, we entered a largely unorganised market. Over the years, we have expanded our product offerings in Menswear categories, and shall attempt to be one of the top brands in the urban Bharat menswear market. Our products compete with local retailers, online retailers, non-branded products, economy brands and products of other established brands.

We believe the principal elements of competition in readymade industry are fashion innovation, finding market fit, assessibility and faster deliveries. We compete against our competitors by establishing ourselves as a knowledge-based unit with industry expertise in fashion trends, price tag and meeting the aspiration of youth, which enables us to provide our customers with innovative designs suitable to current fashion and market requirements.

The E-Commerce segment has gained huge popularity in the last few years, especially owing to the pandemic. There are several established large-scale players in the readymade menswear industry who dominate the e-commerce sector with their products. Though our Company has successfully tapped into this segment with the help of fashionable product line and price tag, but we work among stiff competition. While this remains one of the future prospects of the Company, till the same is realized, the e-commerce players having a wider market outreach pose a competition to the Company.

RAW MATERIALS

The main raw material for our operations are (i) fabric (ii) Accessories which includes threads, buttons, elastic, label, tag, zipper and (iii) accessories. The Company currently sources its raw fabric from the local markets of Kolkata, Surat and Mumbai. Other material required for our operation are accessories and packing materials. The sourcing of our raw material are as under:

| S. No. | Raw Material | Source |
|--------|------------------|--|
| 1. | Fabric | Suppliers from Kolkata, Surat and Mumbai |
| 2. | Accessories | Suppliers from Kolkata |
| 3. | Packing Material | Suppliers from Kolkata and Delhi |

Our Company have standard practice for the quality check of the raw materials. Before accepting any raw material, we check sample yardage from the ready shipment. We check a certain percentage of each batch depending of fabric quality by our self-developed process for each quality. We also have a lab test of random lots to maintain the standardization.

Our Major Suppliers

The following is the breakup of the top five and ten suppliers of our Company for the period ended February 29, 2024, Fiscal 2023, 2022 and 2021 are as follows:

| Name of Supplier | For the period ended February 29, 2024 (₹ in lakh) | As a % of total Purchase |
|--------------------------------|--|--------------------------|
| K M Trader | 1,269.20 | 19.21% |
| Dd Trader | 1,136.88 | 17.21% |
| Shree Balaji Enterprise | 697.76 | 10.56% |
| Srtextile & Yarn Sales Pvt Ltd | 445.71 | 6.75% |
| The Western Cloth Store | 407.61 | 6.17% |
| Total | 3,957.16 | 59.89% |

| Name of Supplier | March 31, 2023 (₹ in lakh) | As a % of total Purchase |
|---------------------------------|-------------------------------|--------------------------|
| Srtextile & Yarn Sales Pvt Ltd | 544.62 | 17.48% |
| Vaibhab Laxmi Filaments Pvt Ltd | 387.48 | 12.43% |
| Newleafindia | 344.01 | 11.04% |
| K M Trader | 245.31 | 7.87% |
| Star Overseas | 228.10 | 7.32% |
| Total | 1,749.53 | 56.14% |

| Name of Supplier | March 31, 2022 (₹ in lakh) | As a % of total Purchase |
|--------------------------------|-------------------------------|--------------------------|
| Newleafindia | 1,743.27 | 39.43% |
| Srtextile & Yarn Sales Pvt Ltd | 858.03 | 19.41% |

| | | |
|-----------------------------|-----------------|---------------|
| Star Overseas | 275.68 | 6.24% |
| Chandramukhi Impex Ltd | 231.12 | 5.23% |
| Colourshine Hosiery Pvt Ltd | 215.03 | 4.86% |
| Total | 3,323.14 | 75.17% |

| Name of Supplier | March 31, 2021 (₹ in lakh) | As a % of total Purchase |
|--------------------------------|-------------------------------|--------------------------|
| Chandramukhi Impex Ltd | 1,472.49 | 36.92% |
| Srtextile & Yarn Sales Pvt Ltd | 567.74 | 14.23% |
| Dhanlaxmi Tex Fab | 389.04 | 9.75% |
| Future India | 274.90 | 6.89% |
| Sameep Textfab LLP | 192.17 | 4.82% |
| Total | 2,896.35 | 72.62% |

REVENUE BREAK-UP

Our state-wise revenue break up for based on our sale in domestic markets is as follows:

(₹ in lakhs)

| Particulars | February 29, 2024 | | FY 2023 | | FY 2022 | | FY 2021 | |
|--------------|-------------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| | Amount | In % | Amount | In % | Amount | In % | Amount | In % |
| West Bengal | 8,633.93 | 89.87 | 6,462.66 | 92.85 | 5,317.52 | 99.95 | 5,022.55 | 99.44 |
| Maharashtra | 222.27 | 2.31 | 95.17 | 1.37 | - | 0.00 | - | 0.00 |
| Delhi | - | 0.00 | - | 0.00 | - | 0.00 | 28.49 | 0.56 |
| Karnataka | 638.22 | 6.64 | 282.62 | 4.06 | 2.49 | 0.05 | - | 0.00 |
| Haryana | 112.81 | 1.17 | 120.01 | 1.72 | - | 0.00 | - | 0.00 |
| Total | 9,607.24 | 100.00 | 6,960.46 | 100.00 | 5,320.02 | 100.00 | 5,051.04 | 100.00 |

Our Major Customers

The following is the breakup of the top five customers of our Company for the period ended February 29, 2024, Fiscal 2023, 2022 and 2021 are as follows:

| Name of Customers / marketplace | For the period ended February 29, 2024 (₹ in lakh) | As a % of Revenue |
|---------------------------------|--|-------------------|
| Flipkart | 2,405.76 | 25.04% |
| Sara Fashion (CNF) | 1,788.15 | 18.61% |
| Star International | 739.57 | 7.70% |
| Amazon Group | 580.39 | 6.04% |
| S S Tex | 429.81 | 4.47% |
| Total | 5,943.68 | 61.87% |

| Name of Customers / marketplace | March 31, 2023 (₹ in lakh) | As a % of Revenue |
|---------------------------------|-------------------------------|-------------------|
| Flipkart | 2,149.26 | 30.88% |
| Sara Fashion (CNF) | 1,776.15 | 25.52% |
| Star International | 345.78 | 4.97% |
| Amazon Group | 313.63 | 4.51% |
| Reliance AJIO | 226.55 | 3.25% |
| Total | 4,811.37 | 69.12% |

| Name of Customers / marketplace | March 31, 2022 (₹ in lakh) | As a % of Revenue |
|---------------------------------|-------------------------------|-------------------|
| Sara Fashion (CNF) | 1,420.55 | 26.70% |
| Star International | 681.52 | 12.81% |
| KC Garments | 551.73 | 10.37% |
| Baazar Retail Limited | 355.72 | 6.69% |
| S S Tex | 283.00 | 5.32% |
| Total | 3,292.51 | 61.89% |

| Name of Customers / marketplace | March 31, 2021 | As a % of Revenue |
|---------------------------------|----------------|-------------------|
|---------------------------------|----------------|-------------------|

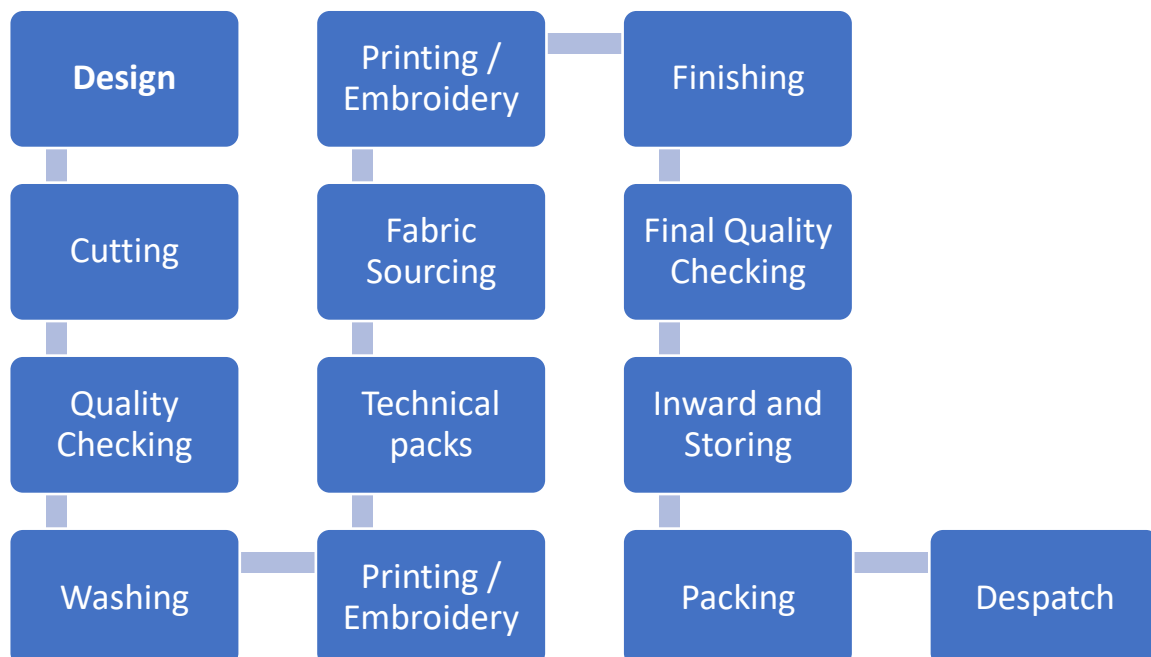
| | (₹ in lakh) | |
|-----------------------------|-----------------|---------------|
| Shivkripa Apparels Pvt Ltd. | 623.15 | 12.34% |
| Baazar Retail Limited | 535.26 | 10.60% |
| KC Garments | 525.87 | 10.41% |
| Avenue Supermarts Ltd. | 426.38 | 8.44% |
| J D Synthetics. | 402.35 | 7.97% |
| Total | 2,513.02 | 49.75% |

Plant and Machinery

Our Company does not have any plant and machinery as our Company is not having any Manufacturing Facility. However, some of the equipment used in our operations are as under:

| Name of equipment | No. of equipment | Owned/ leased | Function |
|-------------------------|------------------|---------------|---|
| Cutting machine | 9 | Owned | For fabric cutting |
| EDGE cutter machine | 3 | Owned | For fabric cutting |
| CAD machine | 1 | Owned | For pattern adjustments with print |
| Lock machine | 50 | Owned | For garment stitching |
| Falt lock machine | 4 | Owned | For garment stitching |
| Overlock Machine | 10 | Owned | For garment stitching |
| Elastic gauging machine | 5 | Owned | For elastic attachment in garment |
| Bartack machine | 4 | Owned | Sewing operation for power of bearing load on particular areas of garment |
| Button holing machine | 4 | Owned | For making button holes in different garments |
| Button machine | 7 | Owned | For attachment of buttons in garments |
| Thread winding machine | 1 | Owned | For winding thread of empty cones |
| Feed of the arm | 6 | Owned | For sewing lapped seam in garments |
| 6" cutting machine | 1 | Owned | For cutting small layer of fabric |
| Electric iron | 1 | Owned | For fusing paper & pastings in garments |
| Heat seal machine | 56 | Owned | For fusing and heat transfer of stickers in garments |
| Barcode machine | 5 | Owned | For printing barcode stickers |

Operational cycle



CHALLENGES:

Outsourced Job Works

The Company outsources its job work to manufacturers in Kolkata. While the job work and branding are heavily supervised by our Company personnel as a part of its quality control measure, heavy reliance on extraneous entities can pose a risk in the event of failure on their part to deliver.

Fast Changing Fashion Industry

The readymade fashion industry is constantly changing with the latest trends, consumer preference and demands. Lately, there are innumerable entrants in the market, making it a highly competitive sector. This poses a constant threat to any player in this industry.

SWOT Analysis:

Strengths

- Market size of more than 12 lakhs crore
- Vacuum of organised brands in value fashion
- Established operations and proven track record
- Fashion at affordable price for youth of urban Bharat
- Experienced Management Team
- Satisfied customer with fashionable products
- Smooth flow of operations
- Strong business model

Opportunities

- Growing acceptance by consumers
- Rise in demands
- Opportunities in upcoming towns and cities
- Reach online marketplaces with the increase use of smart phones

Weakness

- Insufficient market reach
- Heavy dependence on job workers
- High working capital requirement
- Limited pricing power due to fragmentation in the industry

Threats

- Increase Competition from big players
- Change in Government Policies
- Rising input and labour cost
- There are no entry barriers in our industry which puts us to the threat of competition from new entrants

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. As on February 29, 2024, we have 68 employees including our directors, who look after our business operations, factory management administrative, secretarial, marketing and accounting functions in accordance with their respective designated goals.

Following is a department wise employee break-up:

| Departments | No. of Employees |
|---|-------------------------|
| Supply Chain | 23 |
| Procurement | 12 |
| Customer Relations | 02 |
| Finance, Legal & Secretarial | 06 |
| Design & Merchandising (including Artisans) | 04 |
| Human Resource | 01 |
| Information Technology | 03 |
| Sales and Marketing | 03 |
| B2B app admin support | 02 |
| E-com Team | 12 |
| Total | 68 |

We have not employed contract labour covered under the Contract Labour (Regulation and Abolition) Act, 1970.

The management of our Company plays an imperative role in developing a cordial and rewarding relationship with its employees. We are committed to being the employer of choice, attracting and retaining the best of professionals. By developing a structure, systems and a workplace culture that provides challenging jobs, rewards performance and

delivers opportunities continuously, the group is striving to get the best out of its most valuable asset - its people. Powering that quest is an entire range of human resource initiatives aimed at realizing its potential.


Insurance

| | | | | | (₹ in lakh) |
|---|--------------------------|-------------------|--------------------------|--|-------------------|
| Insurer | Policy No | Type of Policy | Policy Period | Nature of Coverage | Total Sum Assured |
| Bajaj Allianz General Insurance Company Limited | OG-24-2495-4057-00000109 | FIRE & Earthquake | 30-09-2023 to 29-09-2024 | Stock of Garments including Raw Materials, Semi Finished & Finished Goods, Packaging Materials | 3,000.00 |
| Bajaj Allianz General Insurance Company Limited | OG-24-2495-4010-00000384 | Burglary | 30-09-2023 to 29-09-2024 | Stock of Garments including Raw Materials, Semi Finished & Finished Goods, Packaging Materials | 3,000.00 |
| HDFC ERGO General Insurance Company Limited | 2999204868364901000 | Medical | 28-08-2023 to 27-08-2024 | Health Insurance for Staffs | 3.00 |
| Future General India Insurance Co Ltd. | VD005254 | Car Insurance | 08-06-2024 to 07-06-2025 | Bumper to Bumper | 23.75 |
| Royal Sundaram General Insurance Co Ltd | VPC1358995000103 | Car Insurance | 21-08-2023 to 20-08-2024 | Bumper to Bumper | 4.39 |
| Go Digit General Insurance Ltd. | D152086535 / 02082024 | Car Insurance | 05-08-2024 to 04-08-2025 | Bumper to Bumper | 8.28 |

Intellectual Property



Copyright:





Our Company owns the following copyright:

| Sr. No. | Particulars of Copyright | Registration No. | Date of Registration |
|---------|---|------------------|----------------------|
| 1 |  TRIBE | A-134871/2020 | 09/10/2020 |

Trademark:

Our Company owns the following trademark:

| Sr. No. | Particulars of Trademark | Registration No. | Class | Status |
|---------|---|------------------|-------|------------|
| 1 | FTX FITNESS EXCHANGE | 5014830 | 35 | Registered |
| 2 |  | 3358515 | 25 | Registered |
| 3 | FTX | 5014829 | 35 | Registered |
| 4 |  | 3358514 | 25 | Registered |
| 5 | TRIBE | 3944364 | 25 | Registered |
| 6 | TRIBE | 5014828 | 35 | Registered |

| | | | | |
|----|---|---------|----|------------|
| 7 |  TRIBE | 4062335 | 25 | Registered |
| 8 |  TRIBE | 5014827 | 35 | Registered |
| 9 | CONTENO | 4205711 | 25 | Registered |
| 10 |  CONTENO | 3944364 | 25 | Registered |
| 11 | CONTENO | 4205712 | 35 | Registered |
| 12 |  CONTENO | 4205710 | 35 | Registered |
| 13 | CONTENO | 3358514 | 25 | Registered |

Properties

Rented Properties

| Sl. No. | Details of the Deed/ Agreement | Particulars of the property, description and area | Consideration/ License Fee/Rent (₹ in lakh) | Tenure/ Term | Usage |
|---------|---|---|--|-----------------------------------|--|
| 1. | Rent Agreement dated January 10, 2024, between our Company and Hrishikesh Das | Tara Maa Tower, B3-71C/161, Ground Floor & First Floor , BBT Road, Khalpole, Right side towards Kolkata, Rampur, PO - Govindpur, Mahestala, South 24 Parganas -700 141, West Bengal. | 4.41 per month | Expiry dated March 31, 2027 | Registered Office and warehouse for finish goods |
| 2. | Rent Agreement dated January 12, 2024 between our Company Tarun Das & Rinku Mukherjee | C1-53/A/New, 1st and 2nd Floor B B T Road, Santoshpur, Govt. Colony, Block-A, PO-Shantoshpur, Maheshtala, Santoshpur, Maheshtala, South 24 Parganas-700142, WB | 0.54 per month | 11 months w.e.f. January 12, 2024 | Warehouse for finish goods |
| 3. | Rent Agreement dated January 12, 2024 between our Company Prabir Kumar Das | Block 2, Green Building, 1st Floor, Room 1 & 2, Hemkunda Estate, B B T Road, Khalpool, Right side towards Kolkata, Rampur, PO-Govindpur (M), Maheshtala, South 24 Parganas-700141, WB | 0.10 per month | 11 months w.e.f. January 12, 2024 | Warehouse and cutting room |
| 4. | Rent Agreement dated January 12, 2024 between our Company Prabir Kumar Das | Block 1, Pink Building, 1st Floor, Room 1 & 2, Hemkunda Estate, B B T Road, Khalpool, Right side towards Kolkata, Rampur, PO-Govindpur (M), Maheshtala, | 0.43 per month | 11 months w.e.f. January 12, 2024 | Warehouse for packing material & fabrics storage |
| 5. | Rent Agreement dated January 12, 2024, between our Company L M Trading Pvt. Ltd. | 2 nd Floor, F1-188/1/New, Shibtata Bye Lane-1, Budge Budge Trunk Road, Benerpukur, Maheshtala, South 24 Parganas - 700141, | 0.24 per month | 3 years w.e.f. January 12, 2024 | Warehouse Fabric Storage |
| 6. | Rent Agreement dated January 1, 2024, between our Company Jaya Dugar | Office unit no.516 situated and lying at 19, Synagogue street, city centre , Kolkata -700001 | 0.42 per month | 11 months w.e.f. January 1, 2024 | Marketing Office |
| 7. | Rent Agreement dated January 10, 2024, between our Company Prabir Kumar Das and | Tara Maa Tower, B3-71C/161, Ground Floor & First Floor , BBT Road, Khalpole, Right side towards Kolkata, Rampur, PO - Govindpur, Mahestala, South 24 Parganas -700141 West | 4.25 per month | Expiry dated March 31, 2027 | Registered Office and warehouse for finish goods |

| Sl. No. | Details of the Deed/ Agreement | Particulars of the property, description and area | Consideration/ License Fee/Rent (₹ in lakh) | Tenure/ Term | Usage |
|---------|--------------------------------|---|--|--------------|-------|
| | Abhisekh Das | Bengal. | | | |

In addition to the above, our products are also stored by Flipkart in their own warehouses in different states to provide faster delivery.

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.

The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company are under no obligation to update the same.

A. INDUSTRY RELATED LAWS AND REGULATIONS

National Textile Policy, 2000

The National Textile Policy, 2000 (“*NTP*”) aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. The objective is sought to be achieved by liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the *NTP* is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximising employment opportunities, and so on. The *NTP* also envisages certain sector specific initiatives, including the sector of raw materials, spinning, weaving, powerloom, handloom, jute and textile. The Policy also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realise its full potential and achieve global excellence.

Salient objective of *NTP* is as follows –

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fiber base with thrust on product up-gradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose to revitalize the institutional structure;
- Make Information Technology (**IT**), an integral part of the entire value chain of textile; Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these objectives, vide the *NTP*, the Government has conveyed it’s commitment towards providing a conducive environment to enable the Indian textile industry to realise its full potential, achieve global excellence, and fulfil its obligation to different sections of society

The Textile Committee Act, 1963

The Textile Committee Act, 1963 (the "**Act**") was enacted in 1963 to provide for the establishment of a committee for ensuring the quality of textiles and textile machinery and for matters connected therewith. The Act prescribes for establishment of a textile committee (hereinafter referred to as the "**Textile Committee**") with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as standardisation of the type of textile machinery used for manufacture. In addition to the general objection as mentioned above, the function of the Textile Committee inter alia include, to undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery, promotion of export of textile and textile machinery, establishing or adopting or recognising standard specifications for textile and packing materials used in the packing

of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and text houses for testing of textiles and data collection and such other matters related to the textile industry.

Textile Development and Regulation Order, 2001 ("Textile Order")

The Central Government in exercise of the powers conferred upon it under section 3 of the Essential Commodities Act, 1955 and in supersession of the Textile (Development and Regulation) Order, 1993 brought in force the Textile Order. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles is required to maintain books of accounts, data and other records relating to the business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect to the business as and when required by the Textile Commissioner. The Textile Order confers upon the Textile Commissioner powers to issue directions by notification with the prior approval of Central Government to any manufacturer regarding the specification or class of textiles which shall not be manufactured, dyes and chemicals which shall not be used in the manufacture of textile, maximum and minimum quantity of textiles which shall be manufactured, maximum ex-factory or wholesale or retail price at which textiles shall be sold, markings to be made on textiles by manufacturers and the time and manner of such markings and direct the officer in charge of any laboratory to carry out or cause to be carried out such tests relating to any textiles as may be specified by the Textile Commissioner.

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978, provides for the levy and collection of an additional duty of excise on certain textiles and textile related articles.

Amended Technology Up-Gradation Fund Scheme (ATUFS)

Ministry of Textiles, Government of India has notified ATUFS *vide* resolution dated January 13, 2016. In accordance to the said regulation the guidelines of ATUFS i.e. financial and operational parameters and implementation of ATUFS during its implementation period from January 13, 2016 to March 31, 2022 has been provided under the revised resolution dated August 2, 2018. In order to promote ease of doing business, promote make in India and increase the employment, government will be providing credit linked Capital Investment Subsidy (CIS) under the ATUFS. The scheme would facilitate augmenting of investment, productivity, quality, employment and exports. It will also increase investment in textile industry (using benchmarked technology). Entities registered as companies which have acknowledgement of Industrial Entrepreneur Memorandum (IEM) with DIPP except MSMEs units which will be as per Ministry of MSME or units registered with the concerned Directorates of the State Government showing clearly the activity for which the unit is registered, will only be eligible to get benefits under the scheme. Only benchmarked machinery as specified will be eligible for the subsidy under the scheme. The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted to Rs. 300 million.

The Legal Metrology Act, 2009 ("Legal Metrology Act") and Legal Metrology (Packaged Commodities) Rules, 2011

The LM Act has replaced the Standards of Weights and Measures Act 1976 and the Standards of Weight & Measurement (Enforcement) Act 1985. It seeks 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. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act. Any manufacturer dealing with instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any non-compliance or violation under the LM Act may result in, *inter alia*, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act provides for the establishment of the Bureau of Indian Standards (“BIS”) for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

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

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling, or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

Electricity Act, 2003

The Electricity Act, 2003 (the “***Electricity Act***”) was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid. The Electricity Act also states the

mechanism for seeking judicial relief by setting up an Appellate Tribunal and laying down the process to seek justice against the orders of the Commission established under the Electricity Act.

Shops and Establishments Legislations

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (the “*T.P. Act*”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

Sale of Goods Act, 1930

The Sale of Goods Act, 1930 (the “*Sale of Goods Act*”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

The Registration Act, 1908

The Registration Act, 1908 (the “*Act*”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

A. TAX LAWS

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income-tax Act 1961, the Income-tax Rules, 1962, as amended by the Finance Act in respective years;
- Central Goods and Services Tax Act, 2017, the Central Goods and Services Tax Rules, 2017 and various state-wise legislations made thereunder;
- The Integrated Goods and Services Tax Act, 2017 and rules thereof;
- Professional tax-related state-wise legislations;
- Indian Stamp Act, 1899 and various state-wise legislations made thereunder; and

B. ENVIRONMENTAL LAWS

The Environment (Protection) Act, 1986 (“EPA”)

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit the discharge or emission of any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one central pollution control board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. Such person also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The central pollution control board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”) as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

C. LABOUR LAW LEGISLATIONS

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial

Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

The Code on Wages, 2019

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code.

Factories Act, 1948

The Factories Act, 1948 (the "***Factories Act***") regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the '*Occupier*' (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc.

The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the

factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license.

Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹ 100,000 or both, and in case of continuing contravention even after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹ 25,000 and ₹ 5,000 respectively.

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

Industries (Development and Regulation) Act, 1951

The Industries (Development and Regulation) Act, 1951 (the “**Act**”) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the ‘*Scheduled Industries*’ which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to above, we are subject to a wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees’ (Provident Fund and Miscellaneous Provision) Act, 1952.

Industrial Employment (Standing Orders) Act, 1946

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

Contract Labour (Regulation and Abolition) Act, 1970, as amended (the “CLRA Act”)

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

Employees State Insurance Act, 1948, as amended (the “ESIC Act”)

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the “**EPF Act**”) The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic

wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“Act”) and the schemes formulated there under (“Schemes”)

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

- i. ***The Employees Provident Fund Scheme:*** As per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.
- ii. ***The Employees Pension Scheme:*** Employees’ Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee’s pay shall be remitted by the employer to the Employees’ Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees’ Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees’ Pension Scheme and credit the contribution to the Employees’ Pension Fund.
- iii. ***The Employees Deposit Linked Insurance Scheme:*** As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

D. GENERAL CORPORATE AND OTHER ALLIED LAWS

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Consumer Protection Act, 1986, Anti-Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 2013 are also applicable to the Company.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally formed as a partnership firm under the name and style of 'M/s. Forcas Apparels' pursuant to a deed of partnership dated April 9, 2010. Subsequently, pursuant to a resolution dated October 3, 2023 passed at the meeting of partners of M/s. Forcas Apparels, the partnership firm was converted into a private limited company under the Companies Act, 2013 under the name and style of 'Forcas Studio Private Limited' and a certificate of incorporation dated January 12, 2024 was issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on February 20, 2024, and by the Shareholders at an Extra-Ordinary General Meeting held on February 23, 2024, our Company was converted into a public limited company and consequently the name of our Company was changed to 'Forcas Studio Limited' and a fresh certificate of incorporation dated April 5, 2024 was issued by Registrar of Companies, Central Processing Centre.. The corporate identification number of our Company is U14101WB2024PLC267500.

Change in registered office of our Company

The Registered Office of our Company at the time of incorporation was situated at Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur Mahestola – 700 141, West Bengal, India. Our Company has not changed its registered office since incorporation.

Main Objects of our Company

The main objects of our Company are as follows:

- 1. This Company is formed upon conversion of M/s. Forcas Apparels, a partnership firm having its registered office at B-3/71C/161, B B T Road, Khalpool, Tara Maa Tower, P.O Gobindapur, Maheshtala, Kolkata 700141, and the business along with all its assets, liabilities, rights, licenses, obligations and entitlements including properties being transferred to and vested in the company as a going concern*
- 2. To carry on the business of manufacturer, importer, exporter, wholesaler and retailer of Readymade Garments and otherwise dealing in any manner in all type of garments including mens, womens and children clothing and wearing apparel of every kind, nature and description including shirts, bush shirts, pyjama suits, vests, underwear, suits, foundation garments for ladies dresses, brassier, maternity belts, knee caps, coats, panties, night suit, handbags, hats, belts, scarves, watches, sunglasses, pins, stockings, bow ties, leggings, ties, suspenders, and tights socks, stockings, sweaters, jackets, laces, gloves and any other items of fashion accessories manufacturing, purchasing, selling, distributing, trading, acting as an agent, franchising, collaborating, exporting, importing, merchandising, designing, packaging and dealing with all kinds of products, goods, commodities, merchandise, fashion accessories and equipment relating to, which includes, Stieber robe, dress readymade garments, apparel, wearing attire and mantle, tailors, silk, mercers, makers and trimmings of every kind, corset makers, furriers, general drapers, haberdashers, milliners, hosiers, gloves, laces makers and dealers, feather dressers and merchants, hatters, dealers in fabrics and materials, all kinds of synthetic fibres, hand-spun, handwoven khadi, cotton silk and woollen fabric and to deal in all other kinds of material as may be conveniently carried on with the above business either through physical presence or through dealers, distributors, agents, retailers or any other medium or mode or through the Company's online portals or websites as well as through third party portal ecommerce, m-commerce, internet, intranet, stores across India or abroad or in any other manner, and to undertake job work in relation to any of the items mention in before and deal in any manner.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company since incorporation:

| Date of shareholder's resolution | Nature of amendments |
|---|--|
| January 22, 2024 | Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10 each to ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each. |

| Date of shareholder's resolution | Nature of amendments |
|----------------------------------|---|
| February 23, 2024 | Our Company was converted into a public limited company and consequently the name of our Company was changed to ' <i>Forcas Studio Limited</i> '. Accordingly, Clause I of the MoA was amended to reflect the name of our Company, post its conversion. |

Corporate profile of our Company

For details regarding the description of our Company's activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "*Our Business*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 106, 141 and 197 respectively, of this Prospectus.

Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation

| Year | Events |
|------|---|
| 2010 | Originally formed as a partnership firm under the name ' <i>Forcas Apparels</i> ' |
| 2024 | Converted into Forcas Studio Private Limited |

Awards and Accreditations

The table below sets forth some of the key awards received by our Company in its history since its incorporation.

| Year | Events |
|------|---|
| 2015 | Our Company was bestowed with an award 'Merit Award 2015' by HyperCITY, for achieving targeted sales growth. |
| 2016 | Our Company was bestowed with an award declaring us as the 'Champion Sales Growth Partner for Fashion 2016' by HyperCITY. |
| 2021 | Our Company achieved gold seller status on Flipkart Marketplace for the period September 1, 2021 to November 29, 2021 and December 1, 2021 to February 28, 2022 respectively. |
| 2022 | Our Company achieved platinum seller status on Flipkart Marketplace for the period March 2, 2022 to May 30, 2022 and June 1, 2022 to August 14, 2022 respectively. |

Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

As of date of this Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years.

Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

Holding Company

As on the date of this Prospectus, our Company does not have a holding company.

Our subsidiary

As on the date of this Prospectus, our Company does not have any subsidiaries.

Associate or Joint ventures of our Company

As on the date of this Prospectus, our Company does not have any joint ventures or associate companies.

Strategic and Financial Partners

As on date of this Prospectus our Company does not have any strategic and financial partners.

Shareholders and Other Agreements

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

Agreements with key managerial personnel or a Director or Promoter or any other employee of the Company

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Guarantees given by Promoter offering its shares in the Offer for Sale

Except as stated in “*Financial Indebtedness*” on page 193 of this Prospectus, our Promoter have not given any guarantees on behalf of our Company.

Material Agreements

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

OUR MANAGEMENT

Our Board of Directors

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 three (3) and not more than fifteen (15). As on date of this Prospectus, we have five (5) Directors on our Board, which includes one (1) Managing Director, one (1) Whole-time director, and three (3) Independent Directors. Our Board of Directors comprises one (1) woman Director as well.

Set forth below, are details regarding our Board as on the date of this Prospectus:

| Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality | Age (years) | Other Directorships |
|--|-------------|---|
| <p>Sailesh Agarwal</p> <p>DIN: 02856973</p> <p>Date of Birth: March 19, 1983</p> <p>Designation: Managing Director</p> <p>Address: 23J Radhamadhab Dutta Garden Lane, Belegkata, Kolkata - 700 010, West Bengal, India.</p> <p>Occupation: Self Employed</p> <p>Term: A period of three (3) years with effect from February 27, 2024 until February 26, 2027.</p> <p>Period of Directorship: Director since incorporation</p> <p>Nationality: Indian</p> | 41 | <p style="text-align: center;"><i>Indian Companies</i></p> <ol style="list-style-type: none"> 1. Forcas Apparel Private Limited 2. Om Dealcom Private Limited <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Forcas Fashions LLP</p> |
| <p>Sourav Agarwal</p> <p>DIN: 06462775</p> <p>Date of Birth: September 28, 1984</p> <p>Designation: Whole-time Director and Chief Financial Officer</p> <p>Address: Neermani Apartment, 23J Radhamadhab Dutta Garden Lane, Belegkata, Kolkata – 700 010, West Bengal, India.</p> <p>Occupation: Self Employed</p> <p>Term: A period of three (3) years with effect from February 27, 2024 until February 26, 2027.</p> <p>Period of Directorship: Director since incorporation</p> <p>Nationality: Indian</p> | 39 | <p style="text-align: center;"><i>Indian Companies</i></p> <ol style="list-style-type: none"> 1. Forcas Apparel Private Limited 2. Om Dealcom Private Limited <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Forcas Fashions LLP</p> |
| <p>Altab Uddin Kazi</p> <p>DIN: 10435916</p> <p>Date of Birth: July 7, 1990</p> <p>Designation: Independent Director</p> <p>Address: 53/A Kazi Para Lane, Haora Corporation, Sibpur, Howrah - 711 102, West Bengal, India.</p> <p>Occupation: Professional</p> | 33 | <p style="text-align: center;"><i>Indian Companies</i></p> <ol style="list-style-type: none"> 1, Veritaas Advertising Limited 2. Thinking Hats Entertainment Solutions Limited 3. Vijay Textiles Limited <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Nil</p> |

| Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality | Age (years) | Other Directorships |
|--|-------------|--|
| <p>Term: A period of five (5) years with effect from February 20, 2024 until February 19, 2029</p> <p>Period of Directorship: Director since February 20, 2024</p> <p>Nationality: Indian</p> | | |
| <p>Hitu Gambhir Mahajan</p> <p>DIN: 07043618</p> <p>Date of Birth: January 13, 1980</p> <p>Designation: Independent Director</p> <p>Address: Block-Nil, House 33B, 1st Floor, Malviya Nagar, Delhi - 110 017, India.</p> <p>Occupation: Business</p> <p>Term: A period of five (5) years with effect from February 29, 2024 until February 28, 2029</p> <p>Period of Directorship: Director since February 29, 2024</p> <p>Nationality: Indian</p> | 44 | <p style="text-align: center;"><i>Indian Companies</i></p> <ol style="list-style-type: none"> 1. Osel Devices Limited; and 2. Soberbio Consulting Private Limited. <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Nil</p> |
| <p>Amit Rathi</p> <p>DIN: 07039219</p> <p>Date of Birth: September 18, 1980</p> <p>Designation: Independent Director</p> <p>Address: 54/10 D.C. De Road, Tangra, Kolkata – 700015, West Bengal, India.</p> <p>Occupation: Professional</p> <p>Term: A period of five (5) years with effect from February 29, 2024 until February 28, 2029</p> <p>Period of Directorship: Director since February 29, 2024</p> <p>Nationality: Indian</p> | 43 | Nil |

Brief Biographies of our Directors

Sailesh Agarwal, aged 40 years, one of the Promoters and Managing Director of our Company. He attended University of Calcutta to pursue a bachelor's degree in commerce. He is having more than a decade of experience in the field of garment manufacturing and trading and in fashion industry. He is the main driving force behind the Company and responsible for overall management of the Company. He has played a key role in growth and development of the Company to the present level. Presently, he oversees overall operation of our Company and has been associated with our Company since incorporation.

Sourav Agarwal, aged 39 years, is one of the Promoters, Whole-time Director and Chief Financial Officer of our Company. He attended University of Calcutta to pursue bachelor's degree in commerce. He is having more than a decade of experience in the field of garments manufacturing and trading. Presently, he heads purchase and finance divisions of our Company and has been associated with our Company since incorporation.

Altab Uddin Kazi, aged 33 years, is the Independent Director of our Company. He holds a bachelor's degree in commerce from University of Calcutta. He has attended the North Orissa University to pursue bachelor's degree in law. He is and associate member of the Institute of Company Secretaries of India and also has passed integrated professional competence examination organised by the Institute of Chartered Accountants of India. In the past he was associated with Supreme & Co Private Limited in the capacity of company secretary; with Megasec Capital Advisors Private Limited in the capacity of ROC executive; with Mookherjee Biswas & Pathak in the capacity of management trainee; and with Sreekumar Bhattacharya & Associates in the capacity of article assistant. He is the *erstwhile* chairman of Hooghly chapter of ICSI. He was also a Chairman of the Editorial Board Committee of Hooghly Chapter of ICSI for the year 2024. He is also a Committee Member of Career Awareness Programme (CAP) Committee, Company Secretaries Benevolent Fund (CSBF) Committee and Chapters' Coordination Committee of EIRC of ICSI. He is having more than 8 years of experience in the field of corporate law compliances, accounting, taxation, GST and legal matters. He has been associated with our Company since February 20, 2024.

Hitu Gambhir Mahajan, aged 44 years is an Independent Director of our Company. She attended University of Delhi to pursue bachelor's degree in science (home science). She holds a post graduate diploma in advertising and marketing from Institute for Media Studies and Information Technology. She is having more than 16 years of experience in marketing, sales, branding and advertising. In the past, she was associated with Annapurna Swadish Limited, in the capacity of an Independent Director. Currently, she is associated with Ontrack System and Support Private Limited, in the capacity of vice president sales – north. She has been associated with our Company since February 29, 2024.

Amit Rathi, aged 43 years, is an Independent Director of our Company. He attended University of Calcutta to pursue bachelor's degree in commerce. He is also an associate member of the Institute of Chartered Accountants of India. In the past, he was associated with CRISIL Limited in the capacity of senior research analyst; with Citibank in the capacity of an associate; and with DSP Merrill Lynch Limited in the capacity of an associate in global research. He is having more than seven years of experience in field of financial analysis and crisis management. He has been associated with our Company since February 29, 2024.

As on the date of this Prospectus

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor 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 Promoters, 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) during his/her tenure.
- E. None of Promoters 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.

Relationship between our Directors

Except for Sailesh Agarwal, who is the brother of Sourav Agarwal, none of our Directors are related to each other.

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

Payment or Benefit to officers of our Company

Except as stated otherwise in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Service Contracts

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Shareholders have pursuant to a special resolution passed at the Extra Ordinary General Meeting held on February 23, 2024, authorised our Board of Director or any committee thereof, to borrow from time to time, by way of loans, credit facilities, debt instruments or in any other forms, any such sum or sums of money (either Indian or foreign currency) from banks, financial institutions, bodies corporate, companies, firms or any one or more persons on such terms and conditions and with or without security, notwithstanding that monies to be borrowed together with monies already borrowed by our Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed (other than temporary loans from the Company's bankers in the ordinary course of business) and outstanding at any point of time shall not exceed a sum of ₹ 20,000 lakhs.

Terms of appointment and remuneration of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on February 27, 2024, and approved by the Shareholders of our Company at the EGM held on February 29, 2024, Sailesh Agarwal was appointed as the Managing Director of our Company for a period of three (03) years with effect from February 27, 2024, along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

| | |
|-----------------------------|--|
| Basic Salary | ₹ 5.00 lakhs per month |
| Perquisites | Category A: <ol style="list-style-type: none">1. Medical Reimbursement for self and family as per the rules of the Company.2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. Category B: <ol style="list-style-type: none">1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.2. Encashment of leave as per the rules of the Company. Category C: <ol style="list-style-type: none">1. Car, telephone at residence and mobile phone for use on Company's business. |
| Minimum Remuneration | The remuneration payable to the Whole-time Director and shall not exceed the limits specified in Section II of part II of Schedule V of the Companies Act 2013. |

Terms of appointment and remuneration of our Whole-time Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on February 27, 2024 and approved by the Shareholders of our Company at the EGM held on February 29, 2024, Sourav Agarwal was appointed as the Wholetime Director and Chief Financial Officer of our Company for a period of three (03) years with effect from February 27, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

| | |
|---------------------|--|
| Basic Salary | ₹ 1.5 lakhs per month |
| Perquisites | Category A: <ol style="list-style-type: none">1. Medical Reimbursement for self and family as per the rules of the Company.2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. Category B: <ol style="list-style-type: none">1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company. |

| | |
|-----------------------------|--|
| | 2. Encashment of leave as per the rules of the Company. Category C: 1. Car, telephone at residence and mobile phone for use on Company's business. |
| Minimum Remuneration | The remuneration payable to the Whole-time Director and shall not exceed the limits specified in Section II of part II of Schedule V of the Companies Act 2013. |

Remuneration details of our Directors

(i) Remuneration of our Executive Directors

Please see below the details of remuneration paid to our Executive Directors during the Fiscal 2024:

| S. No. | Name of the Director | Remuneration (₹ in lacs) |
|--------|----------------------|--------------------------|
| 1. | Sailesh Agarwal | 13.51 |
| 2. | Sourav Agarwal | 13.51 |

(ii) Sitting fee details of our Independent Directors and Non-Executive Directors

Please see below the details of sitting fee paid to our Independent Directors during the Fiscal 2024:

| S. No. | Name of the Director | Remuneration (₹ in lacs) |
|--------|-----------------------|--------------------------|
| 1. | Altab Uddin Kazi* | Nil |
| 2. | Hitu Gambhir Mahajan* | Nil |
| 3. | Amit Rathi* | Nil |

Our Board of Directors in their meeting held on March 2, 2024 have fixed ₹ 10,000 as sitting fee for Independent Directors and Non-Executive Directors, for attending meetings of the Board of Directors and its committees.

We confirm that no sitting fee was paid to our Independent Directors, Non-Executive Directors and Executive Directors in the Fiscal 2024.

Payment or benefit to Directors of our Company

Except as disclosed in this Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

Remuneration paid to our Directors by our Subsidiary

As on the date of this Prospectus, our Company does not have a subsidiary.

Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Prospectus.

Shareholding of Directors in our Company

Except as stated below, none of our Directors hold any Equity Shares in our Company as on the date of this Prospectus:

| Sr. No. | Name of Director | Number of Equity Shares | % of the pre-Issue Equity Share Capital |
|---------|------------------|-------------------------|---|
| 1 | Sailesh Agarwal | 95,40,000 | 73.95 |
| 2 | Sourav Agarwal | 10,60,000 | 8.22 |

*Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see "Terms of appointment and remuneration of our Executive Directors" above.

Shailesh Agarwal and Sourav Agarwal, are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent they have promoted our Company. Except as stated above, our Director have no

interest in the promotion of our Company other than in the ordinary course of business. Our Director may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoter and Promoter Group*” beginning on Page Nos. 159 and 153, respectively of this Prospectus, our Directors are not interested in any other company, entity or firm.

Our Directors have extended personal guarantees to secure the loan availed by our Company from its lenders. For further details, please refer to “*Financial Indebtedness*” on page 193 of this Prospectus.

Except as stated in “*Restated Financial Information – Note 30 – Related Party Disclosures*” from the chapter titled “*Restated Financial Information*” on Page No. 159 of this Prospectus, our Directors do not have any other interest in the business of our Company.

Interest as to property

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

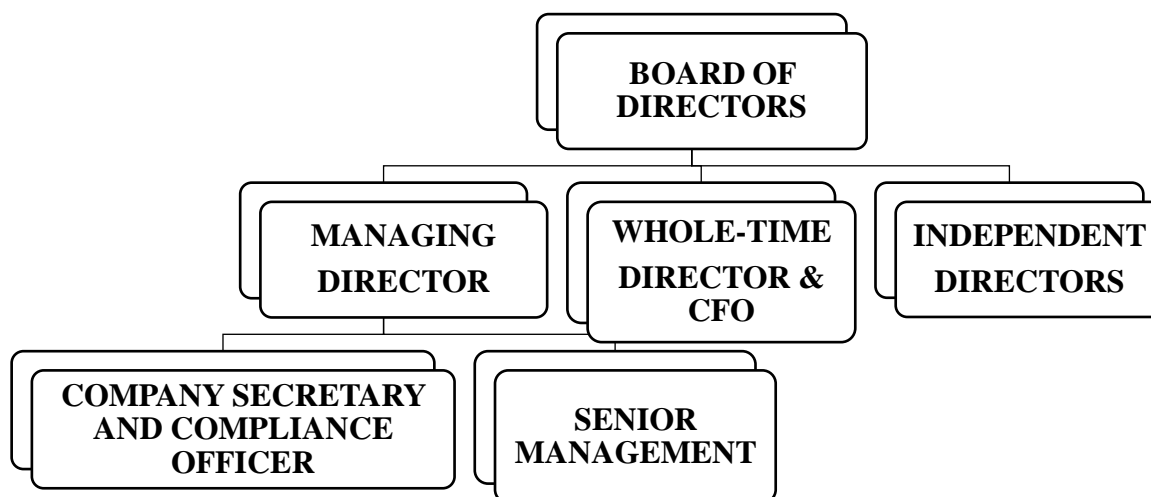
Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years.

| Name of Director | Date of Appointment | Date of Cessation | Reasons for Change/ Appointment |
|-------------------------|----------------------------|--------------------------|--|
| Sailesh Agarwal | January 12, 2024 | - | On conversion of firm into company |
| Sourav Agarwal | January 12, 2024 | - | On conversion of firm into company |
| Altab Uddin Kazi | February 20, 2024 | - | Appointed as Independent Director |
| Sailesh Agarwal | February 27, 2024 | - | Change in designation from Executive Director to Managing Director |
| Sourav Agarwal | February 27, 2024 | - | Change in designation from Executive Director to Whole-time Director and CFO |
| Hitu Gambhir Mahajan | February 29, 2024 | - | Appointed as Independent Director |
| Amit Rathi | February 29, 2024 | - | Appointed as Independent Director |

Management Organization Structure

Set forth is the management organization structure of our Company:



Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this 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 (LODR) Regulations, 2015 are not applicable to our Company. In addition, the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, 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 and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee; and
- d) Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated March 2, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Prospectus, the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------|
| Amit Rathi | Chairman | Independent Director |
| Hitu Gambhir Mahajan | Member | Independent Director |
| Altab Uddin Kazi | Member | Independent Director |
| Sailesh Agarwal | Member | Managing Director |

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice

- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) 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 the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Management letters/letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
6. 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.

The Audit Committee shall meet at least two times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on March 2, 2024. As on the date of this Prospectus the Nomination and Remuneration Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Amit Rathi | Chairperson | Independent Director |
| Hitu Gambhir Mahajan | Member | Independent Director |
| Altab Uddin Kazi | Member | Independent Director |

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, 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. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Devising a policy on diversity of Board of Directors.
5. 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.
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the

report of performance evaluation of Independent Directors.

7. recommend to the board, all remuneration, in whatever form, payable to senior management.
8. 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.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on March 2, 2024. As on the date of this Prospectus the Stakeholders' Relationship Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Hitu Gambhir Mahajan | Chairman | Independent Director |
| Sourav Agarwal | Member | Whole-time Director |
| Amit Rathi | Member | Independent Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders' Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted on March 2, 2024. The Corporate Social Responsibility Committee comprises of the following members:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Hitu Gambhir Mahajan | Chairperson | Independent Director |
| Altav Uddin Kazi | Member | Independent Director |
| Sourav Agarwal | Member | Whole-time Director |

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;

3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

Our Key Managerial Personnel

In addition to our Managing Director and Whole-time Director whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Prospectus:

Sourav Agarwal, aged 39 years, is one of the Promoters, Whole-time Director and Chief Financial Officer of our Company. He attended University of Calcutta to pursue bachelor's degree in commerce. He is having more than a decade of experience in the field of garments manufacturing and trading. Presently, he heads purchase and finance divisions of our Company and has been associated with our Company since incorporation.

Sangita Kumari Agarwal, aged 42 years is the Company Secretary and Compliance Officer of our Company. She attended The Graduate School College for Women to pursue bachelor's degree in commerce. In the past, she was associated with Narbheram Finance Co. Limited and Kross Limited (Formerly known as Kross Manufactures (I) Private Limited) in the capacity of company secretary. She has more than five years of experience in secretarial and compliance matters. She has been associated with our Company since February 27, 2024. She has received a remuneration of ₹ 0.18 Lakhs during the Fiscal 2024.

All our Key Managerial Personnel are permanent employees of our Company.

Our Senior Managerial Personnel

In addition to our Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*' and '*Our Key Managerial Personnel*', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Prospectus:

Siddharth Bahri, aged 51 years, is the Design and Fabric Procurement Head of our Company. He holds a bachelor's degree in commerce from University of Calcutta. He had started his career in 1994 in the garment manufacturing industry and has more than 20 years of experience in the designing, fashion, procurement and supply chain management. He was associated with the erstwhile partnership firm, *M/s. Forcas Apparels* since June 25, 2015 and was transferred to our Company post conversion. He has received remuneration of ₹ 6.26 lakhs during Fiscal 2024.

Prashant Soni, aged 47 years, is the Senior Manager and Garment Production Head of our Company. He has successfully completed business mastery program as an implementor from Business Coaching India in the year 2023. He had started his career in the 1997 with his family business of manufacturing & supply of jute mill spare parts. He is having more than 17 years of experience in procurement and supply chain management. He was associated with the erstwhile partnership firm, *M/s. Forcas Apparels* since December 6, 2012 and was transferred to our Company post conversion. He has received remuneration of ₹ 9.75 lakhs during Fiscal 2024.

Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management

In addition to the disclosures made under the heading "*Relationship between our Directors*", and the details of the relationship between our Key Managerial Personnel and Senior Management, none of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed below, none of the Key Management Personnel and Senior Management hold shareholding in our Company:

| Sr. No. | Name of SMP | Number of Equity Shares | % of Pre-issue Equity Share Capital |
|---------|-----------------|-------------------------|-------------------------------------|
| 1) | Sailesh Agarwal | 95,40,000 | 73.95 |
| 2) | Sourav Agarwal | 10,60,000 | 8.22 |

Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

Payment or benefit to Key Managerial Personnel and Senior Management of our Company

Except as disclosed in this Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

Interest of Key Managerial Personnel and Senior Management

Except as disclosed in this Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

Changes in Key Managerial Personnel and Senior Management in the Last Three Years

In addition to the changes specified under “*Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Prospectus:

| Name | Designation | Date of change | Reason |
|------------------------|--|-----------------------|---------------|
| Sourav Agarwal | Chief Financial Officer | February 27, 2024 | Appointment |
| Sangita Kumari Agarwal | Company Secretary and Compliance Officer | February 27, 2024 | Appointment |

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

Employees’ Stock Option Plan

As on date of this Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

Loans taken by Directors / Key Management Personnel and Senior Management

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Prospectus.

OUR PROMOTER AND PROMOTER GROUP

Our Promoters



The Promoters of our Company are Sailesh Agarwal and Sourav Agarwal.

The details of the shareholding of our Promoters, as on date of this Prospectus has been provided below:

| Sr. No. | Particulars | No. of Equity Shares | % of Shares to Pre – Issue Equity Share Capital |
|--------------|-----------------|----------------------|---|
| 1. | Sailesh Agarwal | 95,40,000 | 73.95 |
| 2. | Sourav Agarwal | 10,60,000 | 8.22 |
| Total | | 1,06,00,000 | 82.17 |

For details, please see “*Capital Structure – Build-up of Promoters’ shareholding, Minimum Promoters’ Contribution and lock-in – Build-up of the Equity Shareholding of our Promoters in our Company*” on page 68.

Details of our Promoters

| | |
|---|---|
| 1. Sailesh Agarwal | |
|  | <p>Sailesh Agarwal, aged 41 years, is the Managing Director of our Company. He resides at 23J Radha Madhab Dutta Garden Lane, Belehata, Kolkata - 700 010, West Bengal, India.</p> <p>The Permanent Account Number of Sailesh Agarwal is AFAPA8294D.</p> <p>For complete profile of Sailesh Agarwal, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page 141.</p> |
| 2. Sourav Agarwal | |
|  | <p>Sourav Agarwal, aged 39 years, is the Whole-time Director and Chief Financial Officer of our Company. He resides at Neermani Apartment, 23J, Radha Madhab, Dutta Garden Lane, Belehata, Kolkata – 700 010, West Bengal, India.</p> <p>The Permanent Account Number of Sourav Agarwal is AFSPA6938E.</p> <p>For complete profile of Sourav Agarwal, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page 141.</p> |

Other Ventures of our Promoters

The ventures in which our Promoters is involved in are as follows:

Sailesh Agarwal

| S. No. | Name of the entity | Nature of Interest |
|--------|--------------------------------|--------------------------|
| 1. | Forcas Apparel Private Limited | Director and Shareholder |
| 2. | Om Dealcom Private Limited | Director |
| 3. | Forcas Fashions LLP | Partner |
| 4. | Sailesh Agarwal HUF | Karta |

Sourav Agarwal

| S. No. | Name of the entity | Nature of Interest |
|--------|--------------------------------|--------------------------|
| 1. | Forcas Apparel Private Limited | Director and Shareholder |
| 2. | Om Dealcom Private Limited | Director |
| 3. | Forcas Fashions LLP | Partner |
| 4. | Sourav Agarwal HUF | Karta |
| 5. | Sanwar Mal Agarwal HUF | Karta |

Our Company confirms that the permanent account numbers, bank account numbers and passport numbers, Aadhaar card numbers and driving license numbers of our Promoters shall be submitted to NSE at the time of filing this Prospectus.

Change in Control of our Company

There has been no change in the control of our Company since incorporation.

Experience of our Promoters in the business of our Company

Our Promoters holds experience in the business of our Company. For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled “*Our Management*” beginning on Page No. 141 of this Prospectus.

Interest of our Promoters

Interest in promotion of our Company

Our Promoters are interested in our Company to the extent that he has promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding and directorships of our Promoters in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page Nos. 63, 141 and 159, respectively of this Prospectus.

Interest of Promoters in our Company other than as a Promoter

Our Promoters, Sailesh Agarwal is the Managing Director of our Company and Sourav Agarwal is the Whole-time Director and Chief Financial Officer of our Company, therefore, may deemed to be considered interested to the extent of any remuneration which shall be payable to them in such capacity. Except as stated in this section and the section titled “*Our Management*”, “*Financial Indebtedness*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 141, 193 and 159, respectively, our Promoters do not have any interest in our Company other than as Promoters.

No sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Interest in the properties of our Company

Except as disclosed in the section “*Our Business- Properties*” and “*Financial Information*” and the chapter titled “*Restated Financial Information - Related Party Transaction*” beginning on Page No. 128 and 159, our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Prospectus with NSE or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

Other Interest and Disclosures

Except as stated in this section and the chapters titled “Our Management”, “Our Business”, “Financial Indebtedness” and “Restated Financial Information - Related Party Transactions” beginning on Page No. 141, 106, 193 and 159, our Promoters do not have any interest in our Company other than as a Promoter.

Our Promoters, Sailesh Agarwal and Sourav Agarwal, have provided their personal property as collateral security for the loans availed by our Company. Further, our Promoters, have also extended personal guarantees to secure the loans availed by our Company. For further details, please refer to “Financial Indebtedness” on page 193 of this Prospectus.

Our Promoters are not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Payment or benefits to our Promoters and Promoters’ Group during the last two years

Except as stated in this chapter and in the chapter titled “Restated Financial Information - Related Party Transactions”, there has been no payment of any amount of benefits to our Promoters or the members of our Promoters’ Group during the last two years from the date of this Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoters’ Group as on the date of this Prospectus. For further details, please refer to the chapter titled “Restated Financial Information - Related Party Transactions” beginning on Page No. 159 of this Prospectus.

Litigations involving our Promoter

As on date of this Prospectus, there are no litigation involving our Promoters.

Guarantees

Except as disclosed in the chapter titled “Financial Indebtedness”, our Promoters have not extended any guarantees against the Equity Shares held by them to third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Prospectus.

Details of Companies / Firms from which our Promoter has disassociated in the last three years

Our Promoter has not disassociated themselves from any company/firm during three years preceding the date of this Prospectus.

OUR PROMOTERS’ GROUP

In addition to our Promoter, the following individuals and entities form part of our Promoters’ Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

Individuals forming part of the Promoters’ Group:

| S. No. | Name of member of our Promoter Group | Relationship with our Promoter |
|------------------------|--------------------------------------|--------------------------------|
| Sailesh Agarwal | | |
| 1. | Late Sanwar Mal Agarwal | Father |
| 2. | Sushila Agarwal | Mother |
| 3. | Priyanka Agarwal | Spouse |
| 4. | Sourav Agarwal | Brother |
| 5. | - | Sister |
| 6. | Shaurya Agarwal | Son |
| 7. | Sanith Agarwal | Son |
| 8. | - | Daughter |
| 9. | Shyamlal Agarwal | Spouse’s Father |
| 10. | Chandadevi Agarwal | Spouse’s Mother |
| 11. | Akash Agarwal | Spouse’s Brother |
| 12. | Anshu Agarwal | Spouse’s Brother |
| 13. | - | Spouse’s Sister |
| Sourav Agarwal | | |
| 1. | Late Sanwar Mal Agarwal | Father |
| 2. | Sushila Agarwal | Mother |
| 3. | Ritoo Agarwal | Spouse |
| 4. | Sailesh Agarwal | Brother |
| 5. | - | Sister |

| S. No. | Name of member of our Promoter Group | Relationship with our Promoter |
|--------|--------------------------------------|--------------------------------|
| 6. | Saksham Agarwal | Son |
| 7. | - | Daughter |
| 8. | Bishwanath Todi | Spouse's Father |
| 9. | Sushila Todi | Spouse's Mother |
| 10. | Devan Todi | Spouse's Brother |
| 11. | Shweta Bhawsingka | Spouse's Sister |

Entities forming part of the Promoters' Group:

Except as stated below, no other company, firm or HUF are forming part of the promoters' group:

| Sr. No. | Name of the entities |
|---------|---|
| 1. | Sanwar Mal Agarwal HUF |
| 2. | Sailesh Agarwal HUF |
| 3. | Sourav Agarwal HUF |
| 4. | Forcas Apparel Private Limited |
| 5. | Agarwal Plastics (also known as D.D. Traders) (Sole Proprietorship) |
| 6. | M/s. Shree Xray and Scan Centre (Sole Proprietorship) |
| 7. | Alkrut Pharmaceuticals LLP |
| 8. | Adyashvi Enterprises Private Limited |
| 9. | Elemental Connectors Private Limited |
| 10. | Parag Venture LLP |
| 11. | Om Dealcom Private Limited |

Other Confirmations

Neither our Promoters nor members of the Promoters' Group have been declared as wilful defaulters by the RBI or any other governmental authority nor there are any violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoters nor entities forming part of our Promoters' Group have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoters' Group are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Prospectus against our Promoter.

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered such companies with which there were related party transactions during the period for which Restated Financial Statements has been disclosed in this Prospectus, as covered under the applicable accounting standards.

Accordingly, all such companies with which there were related party transactions during the periods covered in the Restated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Based on the parameters outlined above, our Company does not have any group companies as on the date of this Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the eleven month period ended February 29, 2024 and the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” on Page No. 25 of this Prospectus.

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SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

| S. No. | Details | Page Number |
|---------------|--|--------------------|
| 1. | Examination Report on Restated Financial Statements for the period from January 12 2024 to February 29, 2024 and for the period from April 1, 2023 to January 11, 2024 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 | 160 |
| 2. | Restated Financial Statements for the period from January 12 2024 to February 29, 2024 and for the period from April 1, 2023 to January 11, 2024 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 | 163 |

(The remainder of this page is intentionally left blank)

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED
FINANCIAL STATEMENTS OF FORCAS STUDIO LIMITED**

The Board of Directors

Forcas Studio Limited

(Formerly known as Forcas Studio Pvt Limited)

Tara Maa Tower, B3-71C/161 B.B.T Road, Vivekanandapur,
South 24 Parganas, Thakurpukur, Maheshtala, WB-700141

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of FORCAS STUDIO LIMITED (the "Company" or the "Issuer") as at 29th February 2024, 11th January 2024, 31st March 2023, 31st March, 2022 and 31st March 2021, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period from 12th January 2024 to 29th February 2024 and for the period from 1st April 2023 to 11th January 2024, 31st March 2023, 31st March 2022 and 31st March 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "Restated Summary Statements" or "Restated Financial Statements"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in EMERGE Platform of NSE.

2. These Restated Summary Statements have been prepared in accordance with the requirements of:

(i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

(iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period from 12th January 2024 to 29th February 2024 and for the period from 1st April 2023 to 11th January 2024, 31st March 2023, 31st March 2022 and 31st March, 2021 which has been approved by the Board of Directors.

4. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in the Significant Accounting Policies and Notes to Accounts as set out in Restated Financial Information. The Board of Directors of the Company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulations and the Guidance Note.

5. We have examined such Restated Financial Statements taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statement; and,159

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

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

(i) The “**Statement of Assets and Liabilities as Restated**” as set out in this report, of the company as at 29th February 2024, 11th January 2024, 31st March 2023, 31st March, 2022 and 31st March 2021 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the company, as in our opinion were appropriate and more fully Described in Significant Accounting Policies and Notes to Accounts as set out in this Report.

(ii) The “**Statement of Profit and Loss as Restated**” as set out in this report, of the Company for the period from 12th January 2024 to 29th February 2024 and for the period from 1st April 2023 to 11th January 2024, 31st March 2023, 31st March 2022 and 31st March 2021 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in this Report.

(iii) The “**Statement of Cash Flow as Restated**” as set out in this report, of the Company for the period from 12th January 2024 to 29th February 2024 and for the period from 1st April 2023 to 11th January 2024, 31st March 2023, 31st March 2022 and 31st March 2021 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in this Report.

6. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:

a) Adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.

c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments except as disclosed in the notes to accounts.

d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the period from 1st April 2023 to 11th January 2024, 31st March 2023, 31st March, 2022, 31st March, 2021 which would require adjustments in this Restated Financial Statements of the Company.

e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in this report.

(f) The Company has not paid any dividend since its incorporation.

7. The preparation and presentation of the Restated Financial Statements referred to above are based on the Audited financial statements of the Company as per Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India for the year ended 31st March 2023 are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

8. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

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

10. In our opinion, the above financial information contained in Annexure of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

11. Audit for the period from 12th January 2024 to 29th February 2024, April 1, 2023 to January 11, 2024 and for the Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 has been conducted by us as per ICDR Regulations.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For Agarwal Khetan & Co.
Chartered Accountants
FRN No. 330054E

CA Ritesh Agarwal
Partner
Membership No. 311866
Place: Kolkata
Date: 06th April, 2024
UDIN: 24311866BKEXTS9319

Restated Statement of Assets and Liabilities as on 29th February, 2024

| | | (Currency: Rs in Lakhs) | | | | |
|--|------|----------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| | Note | As at 29 February, 2024 | As at 11th January, 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| EQUITY AND LIABILITIES | | | | | | |
| 1) Shareholder's Fund | | | | | | |
| a) | 3 | 1,290.00 | 1,072.78 | 860.26 | 830.84 | 711.94 |
| b) | 4 | 611.97 | - | - | - | - |
| Total Shareholder's Fund | | 1,901.97 | 1,072.78 | 860.26 | 830.84 | 711.94 |
| 2) Non-Current Liabilities | | | | | | |
| a) | 5 | 400.88 | 508.43 | 506.20 | 696.94 | 905.44 |
| | | 400.88 | 508.43 | 506.20 | 696.94 | 905.44 |
| 3) Current Liabilities | | | | | | |
| a) | 6 | 2,460.17 | 3,123.30 | 1,819.06 | 1,723.05 | 1,532.48 |
| b) | 7 | | | | | |
| i) Total outstanding dues of micro enterprises and small enterprises | | - | - | - | - | - |
| ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - | - | - | - |
| | | 789.48 | 1,594.71 | 582.94 | 948.97 | 1,714.87 |
| c) | 8 | 173.27 | 80.06 | 155.38 | 132.39 | 25.79 |
| d) | 9 | 159.36 | 115.02 | - | 1.08 | 0.22 |
| Total current liabilities | | 3,582.27 | 4,913.09 | 2,557.38 | 2,805.49 | 3,273.35 |
| Total equity and liabilities(1+2+3) | | 5,885.13 | 6,494.30 | 3,923.85 | 4,333.27 | 4,890.73 |
| ASSETS | | | | | | |
| 4) Non-current assets | | | | | | |
| a) | 10 | | | | | |
| i) Tangible Asset | | 112.94 | 116.51 | 137.74 | 100.64 | 115.96 |
| ii) Intangible Asset | | - | - | - | - | - |
| iii) Capital Work In Progress | | - | - | - | - | - |
| b) | 11 | 10.39 | 10.15 | 7.74 | 5.09 | 2.83 |
| c) | 12 | 78.97 | 57.95 | 27.78 | 30.16 | 20.87 |
| d) | 13 | 832.38 | 832.38 | 460.61 | 336.41 | 333.46 |
| Total non-current assets | | 1,034.68 | 1,016.99 | 633.86 | 472.30 | 473.12 |
| 5) Current assets | | | | | | |
| a) | 14 | 2,155.08 | 1,885.55 | 1,808.84 | 2,933.73 | 2,272.20 |
| b) | 15 | 2,383.14 | 3,150.72 | 1,166.60 | 573.31 | 1,867.22 |
| c) | 16 | 19.36 | 36.66 | 19.93 | 41.23 | 30.32 |
| d) | 17 | 292.86 | 404.39 | 294.62 | 312.70 | 247.87 |
| | | 4,850.45 | 5,477.32 | 3,289.99 | 3,860.97 | 4,417.61 |
| Total assets (4+5) | | 5,885.13 | 6,494.30 | 3,923.85 | 4,333.27 | 4,890.73 |

Significant accounting policies 1&2

The accompanying notes form an integral part of the financial statements
As per our annexed report of even date

For Agarwal Khetan & Co.
Chartered Accountants
Firm's Registration No. with ICAI:330054E

For and on behalf of the Board
FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

(Ritesh Agarwal)
Partner
Membership No.: 311866

Sailesh Agarwal
Managing Director
DIN:02856973

Sourav Agarwal
Whole Time Director & CFO
DIN: 0642775

Date: 06-04-2024
Place : Kolkata
UDIN : 24311866BKEXTS9319

Sangita Kumari Agarwal
Company Secretary

FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)
CIN:U14101WB2024PLC267500
Tara Maa Tower, B3-71C/161 B B T Road, Vivekanandapur, South 24 Parganas, Thakurpukur, Maheshtala, WB - 700141
Restated Statement of Profit and Loss for the period ended 29th February, 2024

(Currency: Rs in Lakhs)

| | Note | For the Period from January 12, 2024 to 29th February 2024 | For the Period from April 1, 2023 to 11th January 2024 | For the Year ended 31 March 2023 | For the Year ended 31 March 2022 | For the Year ended 31 March 2021 |
|---|------|--|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 1) Revenue | | | | | | |
| a) Revenue from operations | 18 | 2,418.50 | 7,188.74 | 6,960.46 | 5,320.02 | 5,051.04 |
| b) Other Income | 19 | 5.80 | 35.74 | 201.96 | 60.42 | 62.10 |
| Total revenue | | 2,424.30 | 7,224.48 | 7,162.42 | 5,380.44 | 5,113.14 |
| 2) Expenses | | | | | | |
| a) Cost of materials consumed | 20 | 1,488.70 | 4,514.43 | 3,816.52 | 4,542.41 | 3,311.73 |
| b) Other Direct Expenses | 21 | 226.91 | 869.80 | 1,011.77 | 795.04 | 647.88 |
| c) Changes in Inventories of FG & WIP | 22 | 44.33 | 23.81 | 424.48 | 780.96 | 397.28 |
| d) Employee benefits | 23 | 37.84 | 113.53 | 147.12 | 142.73 | 125.86 |
| e) Finance cost | 24 | 53.88 | 287.54 | 298.59 | 249.58 | 258.77 |
| f) Depreciation and amortisation | 25 | 3.88 | 28.98 | 37.01 | 26.55 | 27.53 |
| g) Other expenses | 26 | 499.48 | 1,038.63 | 1,312.38 | 326.66 | 288.55 |
| Total expenses | | 2,266.35 | 6,829.10 | 7,047.87 | 5,302.00 | 5,057.59 |
| 3) Profit / Loss before exceptional item and tax | | 157.94 | 395.37 | 114.55 | 78.44 | 55.55 |
| 4) Exceptional Item | | - | - | - | - | - |
| 5) Profit / (Loss) before Tax | | 157.94 | 395.37 | 114.55 | 78.44 | 55.55 |
| 6) Income tax expense | | | | | | |
| - Current tax | | 41.21 | - | - | - | - |
| - Deferred tax | | 0.25 | 2.41 | 2.64 | 2.27 | 2.83 |
| - Income tax for earlier years | | - | - | - | - | - |
| | | 116.97 | 2.41 | 2.64 | 2.27 | 2.83 |
| 7) Profit/ (loss) for the period after tax | | 116.97 | 397.78 | 117.19 | 80.71 | 58.38 |
| Earnings per equity share (for continuing operation): | | | | | | |
| (1) Basic | | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |
| (2) Diluted | | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |

Significant accounting policies 1&2

The accompanying notes form an integral part of the financial statements
As per our annexed report of even date

For Agarwal Khetan & Co.
Chartered Accountants
Firm's Registration No. with ICAI:330054E

For and on behalf of the Board
FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

(Ritesh Agarwal)
Partner
Membership No.: 311866
Date: 06-04-2024
Place : Kolkata
UDIN : 24311866BKEXTS9319
:

Sailesh Agarwal
Managing Director
DIN: 02856973

Sourav Agarwal
Whole Time Director & CFO
DIN: 0642775

Sangita Kumari Agarwa
Company Secretary

(Currency: Rs in Lakhs)

| | For the Period from January 12, 2024 to 29th February 2024 | For the Period from April 1, 2023 to 11th January, 2024 | For the Year Ended 31st March 2023 | For the Year Ended 31st March, 2022 | For the Year Ended 31st March, 2021 |
|--|--|---|---|---|---|
| A. CASH FLOW FROM OPERATION ACTIVITIES | | | | | |
| Net Profit/(Loss) before Tax and Extraordinary Items | 157.94 | 395.37 | 114.55 | 78.44 | 55.55 |
| Adjustments for: | | | | | |
| Finance Cost | 53.88 | 287.54 | 298.59 | 249.58 | 258.77 |
| Depreciation | 3.88 | 28.98 | 37.01 | 26.55 | 27.53 |
| Liability Written Back | - | - | - | - | - |
| Bad Debt | - | - | - | - | - |
| Operating Profit/(Loss) before Working Capital Changes | 215.70 | 711.89 | 450.15 | 354.57 | 341.84 |
| Adjustments for: | | | | | |
| (Increase)/Decrease in Trade Receivables | 767.58 - | 1,984.11 - | 593.29 | 1,293.91 - | 241.53 |
| (Increase)/Decrease in Long-term Loans and Advances | - 21.02 - | 30.18 | 2.38 - | 9.29 | 3.33 |
| (Increase)/Decrease in Other Non Current Assets | - - | 371.77 - | 124.20 - | 2.95 | 10.71 |
| (Increase)/Decrease in Short-term Loans and Advances | 111.53 - | 109.77 | 18.08 - | 64.83 - | 70.60 |
| Increase/(Decrease) in Trade payables | - 805.24 | 1,011.77 - | 366.03 - | 765.89 | 525.05 |
| Increase/(Decrease) in Short Term Provisions | 44.34 | 115.02 - | 1.08 | 0.85 - | 22.19 |
| (Increase)/Decrease in Inventory | - 269.53 - | 76.72 | 1,124.90 - | 661.54 - | 279.38 |
| Increase/(Decrease) in Other Current Liabilities | 93.21 - | 75.33 | 22.99 | 106.60 - | 13.03 |
| | - 79.13 - | 1,521.08 | 83.75 - | 103.13 - | 87.65 |
| Cash Generated from Operations | 136.57 - | 809.19 | 533.90 | 251.44 | 254.19 |
| Adjustment for: | | | | | |
| Income taxes paid (net) | - | - | - | - | - |
| NET CASH GENERATED/(USED IN) OPERATING ACTIVITIES (A) | 136.57 - | 809.19 | 533.90 | 251.44 | 254.19 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| Purchase of Property, Plant & Equipment | - 0.30 - | 7.75 - | 74.11 - | 11.23 - | 18.76 |
| Increase/(Decrease) in Intangible Assets | - | - | - | - | - |
| Increase/(Decrease) in CWIP | - | - | - | - | - |
| NET CASH GENERATED /(USED IN) INVESTING ACTIVITIES (B) | - 0.30 - | 7.75 - | 74.11 - | 11.23 - | 18.76 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| Increase/ (Decrease) in Short Term Borrowings | - 663.13 | 1,304.24 | 96.01 | 190.57 | 308.06 |
| Increase/ (Decrease) in Long Term Borrowings | - 107.56 | 2.23 - | 190.73 - | 208.50 - | 326.13 |
| Changes in Capital | 671.01 - | 185.27 - | 87.79 | 38.21 | 59.85 |
| Finance Cost | - 53.88 - | 287.54 - | 298.59 - | 249.58 - | 258.77 |
| NET CASH GENERATED /(USED IN) FINANCING ACTIVITIES (C) | - 153.56 | 833.67 - | 481.10 - | 229.30 - | 216.98 |
| NET INCREASE/(DECREASE) IN CASH DURING THE YEAR (A+B+C) | - 17.29 | 16.73 - | 21.31 | 10.92 | 18.45 |
| Cash & Cash Equivalents at the beginning of the year | 36.66 | 19.93 | 41.24 | 30.32 | 11.87 |
| Cash & Cash Equivalents at the end of the year | 19.36 | 36.66 | 19.93 | 41.24 | 30.32 |

In terms of our report of even date

For Agarwal Khetan & Co.

Chartered Accountants

Firm's Registration No. with ICAI:330054E

For and on behalf of the Board

FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

(Ritesh Agarwal)

Partner

Membership No.: 311866

Date: 06-04-2024

Place : Kolkata

UDIN : 24311866BKEXTS9319

:

Sailesh Agarwal Sourav Agarwal

Managing Director Whole Time Director & CFO

DIN: 02856973 DIN: 0642775

Sangita Kumari Agar

Company Secretary

NOTE 1 & 2: SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY INFORMATION

The Company was originally formed as a Partnership Firm under the name 'Forcas Apparels', registered with Registrar of Firms, West Bengal under Indian Partnership Act, 1932 bearing Registration No. L77909 dated 19-08-2013. Subsequently, pursuant to a resolution passed in the meeting of the partners held on October 3 2023, Forcas Apparels, Partnership Firm was converted into a private limited company under the name 'Forcas Studio Private Limited' and a certificate of incorporation dated 12th January, 2024 was issued by the Registrar of Companies, Kolkata, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on February 20, 2024 and by the Shareholders at an extraordinary general meeting held on February 23, 2024 the Company was converted into a public limited company and consequently the name of the Company was changed to 'Forcas Studio Limited' and a fresh certificate of incorporation dated April 5, 2024 was issued by the Registrar of Companies. The company is mainly engaged in trading and Manufacturing of Readymade Garments - knitted and crochet fabrics.

There is no subsidiary & Associates Company.

2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS

The financial statements has been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ("GAAP") and comply with the mandatory Accounting Standards ("AS") specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013 ("the 2013 Act").

The Restated Consolidated Financial Statements has been prepared by the Management to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

The Financial statements are presented in Indian Rupee (Rs.) & all the amounts included in the financial statements have been rounded off to the nearest Lakhs upto two decimals, as required by General instructions for preparation of Financial Statements in Division I of Schedule III of the Companies Act, 2013, except number of shares, face value of shares, earning per shares, or wherever otherwise stated. Wherever the amount represented Rs '0.00' construes value less than Rupees Five Hundred.

B. USE OF ESTIMATES

The preparation of financial statements is in conformity with GAAP which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses for the year. Actual results could differ from this estimate. Difference between the actual result and estimates are recognized in the period in which result are known / materialized.

C. CLASSIFICATION OF ASSETS AND LIABILITIES

The Revised Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Current or Non-current.

(a) An asset shall be classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, normal operating cycle of the company;
 - It is held primarily for the purpose of being traded;
 - It is expected to be realized within twelve months after the reporting date; or
 - It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- (b) All assets other than current assets shall be classified as non-current.

(c) A liability shall be classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the normal operating cycle of the company;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within twelve months after the reporting date; or
 - The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- (c) All liabilities other than current liabilities shall be classified as non-current.

D. PROPERTY, PLANT & EQUIPMENT

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalized and disclosed separately under leasehold improvement.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal and retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset is recognized in Statement of profit and loss.

W.D.V of Partnership Firm (Forcas Apparels) which is converted in Pvt. Limited Company viz. Forcas Studio Pvt Ltd has been carried Forward as Gross Carrying Amount in Schedule Plant, Property & Equipment and accordingly depreciation has been charged on W.D.V. method.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other subsequent cost are charged to Statement of profit and loss at the time of incurrence.

Depreciation

Depreciation on PPE is provided on Written down value method computed on the basis of WDV rate prescribed in Schedule II to the Companies Act, 2013 ('Schedule II') on a pro-rata basis from the date the asset is ready to put to use.

E. INVENTORIES

Inventories of finished goods are valued at cost or net realizable value ("NRV"), whichever is lower. Costs of inventories has been determined using weighted average cost method and comprise all costs of purchase after deducting non-refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Provision is made for items which are not likely to be consumed and other anticipated losses wherever considered necessary. The comparison of cost and NRV for traded goods is made on at item Company level basis at each reporting date. However, there is no inventory of any products.

F. BORROWING COSTS

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalization of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are charged to statement of profit and loss as and when incurred.

G. IMPAIRMENT OF ASSETS

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognized in the Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

H. PROVISIONS AND CONTINGENT LIABILITIES AND ASSETS

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

I. EMPLOYEE BENEFITS

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled. Gratuity has been calculated based on the report of actuary.

Post Retirement Employee Benefits

Gratuity

(a) Defined contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans is recognized in the Restated Consolidated Statement of Profit and Loss in the financial year to which they relate.

(b) Defined benefit plans

Defined Benefit plans are the plans for which the benefits has been defined for the eligible employees which are meant to be paid to then at the time of retirement.

J. INCOME TAXES

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period. It is determined as the amount of tax payable under the provisions of Income Tax Act, 1961, in respect of taxable income for the year.

Deferred Tax

Deferred income taxes reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier year. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Current Tax for the year

Current Tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

K. FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

On initial recognition, all foreign currency transactions are converted and recorded at exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction .

L. REVENUE RECOGNITION

Sales of goods comprises of income arising from Sale of Apparels. Income is recognized on accrual basis based on the regular invoices raised on the clients as per the terms of Agreements or other arrangements as the case may be.

Revenue is measured at fair value of consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

M. Other Income

Other Income is accounted for on accrual basis except where the receipt income is uncertain.

N. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity share holder, by weighted average number of equity share outstanding during the period.

Diluted earnings per share is computed by dividing the net profit or loss attributable to equity share holder by weighted average number of equity and equivalent diluted equity share outstanding during the year except where the result would be antidilutive.

O. CASH AND CASH EQUIVALENTS

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

P. CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN RESTATED FINANCIALS

As in the reporting period of restated financials, the company was a Partnership Firm and accordingly, was not following the provisions of Companies Act, 2013, as the case may be, in respect of rates of depreciation charged on fixed assets. However, in restated financials, the company has adopted the method and rates of depreciation in terms of Schedule II of Companies Act, 2013, as applicable in respective financial year. The company has recalculated the depreciation since financial year 2020-21 and accordingly retrospective impact has been given in the restated financials.

| | As at 29th February 2024 | As at 11th January 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|-----------------------------|----------------------------|---------------------------|---------------------------|---------------------------|
| 3 SHARE CAPITAL | | | | | |
| (a) <u>Authorised Share Capital :</u> | | | | | |
| (2,00,00,000 Equity Shares of ₹ 10/- each) | 2,000.00 | - | - | - | - |
| | <u>2,000.00</u> | - | - | - | - |
| (b) <u>Issued, Subscribed & Fully Paid-up Share Capital :</u> | | | | | |
| Capital Account | - | 1072.78 | 860.26 | 830.84 | 711.94 |
| Opening Share Capital | - | - | - | - | - |
| Addition during the year (1,29,00,000 Equity Shares of Rs 10 each) | 1290.00 | - | - | - | - |
| Total Share Capital | <u>1,290.00</u> | <u>1,072.78</u> | <u>860.26</u> | <u>830.84</u> | <u>711.94</u> |

The Company was originally formed as a Partnership Firm under the name 'Forcas Apparels', registered with Registrar of Firms, West Bengal under Indian Partnership Act,1932 as on 11.01.2024 and later on 12.01.2024 got converted into private limited company, subsequently into public limited company on 05.04.2024 and hence the company had no equity share capital in the previous years. It had Partner's Capital which has been now classified under Shareholder's Equity.

The Company has allotted 95,18,400 Equity Shares of Rs 10 /- each on conversion / incorporation date 12.01.2024. Further it have issued and allotted 17,31,600 equity shares of Rs 10 each on 27.01.2024. Further it has been issued and allotted 16,50,000 equity shares of Rs 10 each with a premium of Rs 30 each share on 20.02.2024.

Note : Closing partners capital as on 11.01.2024 is distributed into 2 parts. Rs 9,51,84,000 (95,18,400 Equity shares of Rs 10each) is transferred to share capital of the subscriber to the memorandum and the balance amount transferred to Unsecured loan from related party.

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity share is entitled to receive dividend as declared time to time and is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| | As at 29th February 2024 | As at 11th January 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-----------------------------|----------------------------|---------------------------|---------------------------|---------------------------|
| (a) <u>Issued Equity Shares with voting rights</u> | | | | | |
| Opening Balance | | | | | |
| Number of Shares | | | | | |
| Amount (₹ In Lacs.) | | | | | |
| Fresh Issue | | | | | |
| On account of Right Issue | | | | | |
| Number of Shares | - | - | - | - | - |
| Amount (₹ In Lacs.) | - | - | - | - | - |
| On account of Private Placement | | | | | |
| Number of Shares | 12,900,000 | - | - | - | - |
| Amount (₹ In Lacs.) | 1,290.00 | - | - | - | - |
| On account of Bonus Issue | | | | | |
| Number of Shares | - | - | - | - | - |
| Amount (₹ In Lacs.) | - | - | - | - | - |
| Closing Balance | | | | | |
| Number of Shares | 12,900,000 | - | - | - | - |
| Amount (₹ In Lacs.) | 1,290.00 | - | - | - | - |
| (b) <u>Subscribed and Fully Paid-up Equity Shares with voting rights</u> | | | | | |
| Opening Balance | | | | | |
| Number of Shares | | | | | |
| Amount (₹ In Lacs.) | | | | | |
| Fresh Issue | | | | | |
| On account of Right Issue | | | | | |
| Number of Shares | | | | | |
| Amount (₹ In Lacs.) | | | | | |
| On account of Private Placement | | | | | |
| Number of Shares | 12,900,000 | - | - | - | - |
| Amount (₹ In Lacs.) | 1,290.00 | - | - | - | - |
| On account of Bonus Issue | | | | | |
| Number of Shares | - | - | - | - | - |
| Amount (₹ In Lacs.) | - | - | - | - | - |
| Closing Balance | | | | | |
| Number of Shares | 12,900,000 | - | - | - | - |
| Amount (₹ In Lacs.) | 1,290.00 | - | - | - | - |

(c) No equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

(d) The Company has not issued/ allotted any shares pursuant to contract(s) without payment being received in cash during current period and previous five years.

(e) No Convertible securities have been issued by the company during the period.

- (f) The Company has not bought back any shares during current period and previous five years.
(g) No calls are unpaid by any Director and officer of the company during the period.
(h) The Company has only one class of issued shares i.e. Ordinary Equity Shares having par value of Rs.10 per share. Each holder of Ordinary Shares is entitled to one vote per share.

Details of shareholders holding more than 5% shares in the Company

| Name of the shareholder | 29th February, 2024 | | % Change during the year | 11th January, 2024 | | % Change during the year | 31st March, 2023 | | % Change during the year | 31st March, 2022 | | % Change during the year | 31st March, 2021 | |
|-------------------------|---------------------|--------------|--------------------------|--------------------|--------------|--------------------------|------------------|--------------|--------------------------|------------------|--------------|--------------------------|------------------|--------------|
| | No. of Shares | % of Holding | | No. of Shares | % of Holding | | No. of Shares | % of Holding | | No. of Shares | % of Holding | | No. of Shares | % of Holding |
| Sailesh Agarwal | 95.40 | 73.95% | | | | | | | | | | | | |
| Sourav Agarwal | 10.60 | 8.22% | | | | | | | | | | | | |

Details of promoters holding

| Name of the shareholder | 29th February, 2024 | | % Change during the year | 11th January, 2024 | | % Change during the year | 31st March, 2023 | | % Change during the year | 31st March, 2022 | | % Change during the year | 31st March, 2021 | |
|-------------------------|---------------------|--------------|--------------------------|--------------------|--------------|--------------------------|------------------|--------------|--------------------------|------------------|--------------|--------------------------|------------------|--------------|
| | No. of Shares | % of Holding | | No. of Shares | % of Holding | | No. of Shares | % of Holding | | No. of Shares | % of Holding | | No. of Shares | % of Holding |
| Sailesh Agarwal | 95.40 | 73.95% | | | | | | | | | | | | |
| Sourav Agarwal | 10.60 | 8.22% | | | | | | | | | | | | |

Equity Shares of Rs.10 each fully paid

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

| Name of the Shareholders | 29th February, 2024 | | % change in shareholding of promoters(%) | 11th January, 2024 | | % change in shareholding of promoters(%) | As at 31st March 2023 | | % change in shareholding of promoters(%) | As at 31st March 2022 | | % change in shareholding of promoters(%) | As at 31st March 2021 | |
|--------------------------|---------------------|--------------|--|--------------------|--------------|--|-----------------------|--------------|--|-----------------------|--------------|--|-----------------------|--------------|
| | No. of Shares | % of Holding | | Nos | % of Holding | | Nos | % of Holding | | Nos | % of Holding | | Nos | % of Holding |
| Sailesh Agarwal | 95.40 | 73.95% | 0.00% | | | | | | | | | | | |
| Sourav Agarwal | 10.60 | 8.22% | 1.32% | | | | | | | | | | | |

| | As at 29th February, 2024 | As at 11th January, 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| 4 RESERVES AND SURPLUS | | | | | |
| (a) Securities Premium Account | | | | | |
| As per last Financial Statement | | | | | |
| Add: Securities Premium | 495.00 | - | - | - | - |
| Less: Utilisation of Reserves for issue of Bonus Shares | - | - | - | - | - |
| | <u>495.00</u> | - | - | - | - |
| (b) Surplus/(Deficit) in Statement of Profit & Loss Account | | | | | |
| Opening Balance | - | - | - | - | - |
| Add: Addition during the year | 116.97 | - | - | - | - |
| Add/Less: Other Changes in Capital | - | - | - | - | - |
| Closing Balance | <u>116.97</u> | - | - | - | - |
| Total Reserves and Surplus | <u>611.97</u> | - | - | - | - |
| 5 LONG TERM BORROWINGS | | | | | |
| Secured Borrowings | | | | | |
| Loan From Banks & other NBFC | | | | | |
| Term Loan | 200.40 | 256.40 | 347.03 | 390.60 | 348.88 |
| Less : Current Maturity of Loans | 93.93 | 93.79 | 98.97 | 210.86 | 57.81 |
| Total (a) | <u>106.47</u> | <u>162.61</u> | <u>248.06</u> | <u>179.74</u> | <u>291.07</u> |
| Auto Loan | 22.83 | 23.58 | 30.77 | - | - |
| Less : Current Maturity of Loans | 11.39 | 11.39 | 11.39 | - | - |
| Total (b) | <u>11.44</u> | <u>12.20</u> | <u>19.38</u> | - | - |
| Unsecured Borrowings | | | | | |
| Loan from Bank | | | | | |
| Personal Loan | - | - | - | - | - |
| Less: Current Maturity of Loans | - | - | - | - | - |
| Loan from Others | | | | | |
| Related Party | 149.98 | 108.99 | 66.13 | 136.47 | 87.12 |
| Other Than Related Party | 132.98 | 224.64 | 172.64 | 380.72 | 527.25 |
| Term Loans | - | - | - | - | - |
| Less : Current Maturity of Loans | - | - | - | - | - |
| Total Long-Term Borrowings | <u>400.88</u> | <u>508.43</u> | <u>506.20</u> | <u>696.94</u> | <u>905.44</u> |

Note : The loans has been classified into current and non current based on the repayment schedules provided by the respective lending institutions.
The loan details are as per the table annexed with Note No. 8 Short Term Borrowings

| 6 SHORT TERM BORROWINGS | 29th February 2024 | 11th January 2024 | 31st March, 2023 | 31st March, 2022 | 31st March, 2021 |
|---------------------------------------|--------------------|-------------------|------------------|------------------|------------------|
| Secured Borrowings | | | | | |
| Loan from Bank | | | | | |
| Cash Credit/Bank OD | 1923.21 | 3018.13 | 1708.71 | 1512.19 | 1474.67 |
| Other Facilities from Bank | 431.64 | - | - | - | - |
| Auto Loan | 11.39 | 11.39 | 11.39 | - | - |
| Term Loan | 93.93 | 93.79 | 98.97 | 210.86 | 57.81 |
| ECGL | | | | | |
| Unsecured Borrowings | | | | | |
| Loan From Bank | | | | | |
| Personal Loan | - | - | - | - | - |
| Loan from others | | | | | |
| Term Loan | - | - | - | - | - |
| Loan payable on demand | | | | | |
| Related Parties - Loan from Directors | - | - | - | - | - |
| Total Short Term Borrowings | 2,460.17 | 3,123.30 | 1,819.06 | 1,723.05 | 1,532.48 |
| | 2,460.17 | 3,123.30 | 1,819.06 | 1,723.05 | 1,532.48 |

Note:- As Per declarations received from the Directors of the Company, Loan given to the company is out of owned funds and not out of borrowed funds.

| Name of Lender | Nature of Loan | Rate of Interest | Repayment Terms | Amount Financed | Amount Outstanding as on 29.02.2024 | Description of Loan |
|----------------|----------------|------------------|---------------------|-----------------|-------------------------------------|--|
| Unsecured Loan | Unsecured | 0.00% | Repayable On Demand | 264.06 | 264.06 | Business Loan |
| Unsecured Loan | Unsecured | 4.00% | Repayable On Demand | 37.75 | 37.75 | Business Loan |
| Unsecured Loan | Unsecured | 12.00% | Repayable On Demand | 45.14 | 45.14 | Business Loan |
| HSBC | Cash Credit | 9.50% | 12 Months | | | First Pari Passu charge on the current assets of the Firm, both present and future along with multiple banker ICICI Bank Hypothecation of Stock 25% margin Hypothecation of Receivables not more than 120 Days with 25% margin First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010 with multiple banker ICICI Bank First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074 with multiple banker ICICI Bank Lien of Fixed Deposits with multiple banker ICICI Bank Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, and Smt Sushila Agarwal for Rs 200,000,000/- each |
| | | | | 2000.00 | 1503.98 | |
| HSBC ECGL | WDCL | 9.50% | 48 Months | | | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| | | | | 198.90 | 27.63 | |
| HSBC ECGL 2 | WDCL | 9.50% | 60 Months | 99.00 | 99.00 | Business Loan |

| | | | | | | |
|-------------------------------------|-------------|--------|-----------|--------|-----------------|---|
| ICICI Bank Loan | Cash Credit | 9.40% | 12 Months | | | First Pari Passu charge on the current assets of the Firm, both present and future including stocks and book debts First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010. First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074. Lien of Fixed Deposits for INR 26.50 Mn Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, Mr. Sanwarmal Agarwal and Smt Sushila Agarwal |
| | | | | 800.00 | 711.27 | |
| ICICI Bank ECLGS | WCDL | 9.40% | 48 Months | 98.00 | 21.78 | Business Loan |
| ICICI Bank ECLGS 2 | WCDL | 9.40% | 60 Months | 52.00 | 52.00 | Business Loan |
| Equentia SCF Technologies Pvt. Lts. | WCDL | 15.50% | On demend | | | Second exclusive charge by way of Hypothecation of all receivables, book debts and Current Assets of the borrower, both present and future All receivables of the borrower from the end clients shall be deposited in the designated account, subject to a minimum of 1.5x of the facility which may be monitored by the lender at its sole discretion 15% FD of the limit Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| | | | | 200.00 | 171.15 | |
| Axis Bank | Car Loan | 10.50% | 55 Months | 26.35 | 17.66 | Car Loan for Business Use |
| Kotak mahindra Prime Ltd | Car Loan | 7.70% | 36 Months | 11.00 | 5.17 | Car Loan for Business Use |
| Tata Capital Finance Service Ltd | WCDL | 12.00% | 12 Months | | | FD of Rs. 1.16 Mn Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| | | | | 58.00 | 47.41 | |
| Total Loans | | | | | 3,003.99 | |

| Name of Lender | Nature of Loan | Rate of Interest | Repayment Terms | Amount Financed | Amount Outstanding as on 11.01.2024 | Description of Loan |
|----------------|----------------|------------------|---------------------|-----------------|-------------------------------------|--|
| Unsecured Loan | | | | | | |
| Unsecured Loan | Unsecured | 0.00% | Repayable On Demand | 247.69 | 247.69 | Business Loan |
| Unsecured Loan | Unsecured | 4.00% | Repayable On Demand | 37.75 | 37.75 | Business Loan |
| Unsecured Loan | Unsecured | 12.00% | Repayable On Demand | 48.19 | 48.19 | Business Loan |
| HSBC | Cash Credit | 9.50% | 12 Months | | | First Pari Passu charge on the current assets of the Firm, both present and future along with multiple banker ICICI Bank Hypothecation of Stock 25% margin Hypothecation of Receivables not more than 120 Days with 25% margin First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010 with multiple banker ICICI Bank First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074 with multiple banker ICICI Bank Lien of Fixed Deposits with multiple banker ICICI Bank Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, and Smt Sushila Agarwal for Rs 200,000,000/- each |
| | | | | 2007.94 | 2007.94 | |

| | | | | | | |
|-------------------------------------|-------------|--------|-----------|--------|--------|--|
| HSBC ECGL | WDCL | 9.50% | 48 Months | | | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| | | | | 198.90 | 33.15 | |
| HSBC ECGL 2 | WDCL | 9.50% | 60 Months | | | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| | | | | 99.00 | 99.00 | |
| ICICI Bank Loan | Cash Credit | 9.40% | 12 Months | | | First Pari Passu charge on the current assets of the Firm, both present and future including stocks and book debts First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010. First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074. Lien of Fixed Deposits for INR 26.50 Mn Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, Mr. Sanwamal Agarwal and Smt Sushila Agarwal |
| | | | | 800.00 | 798.81 | |
| ICICI Bank ECLGS | WCDC | 9.40% | 48 Months | 98.00 | 27.22 | Business Loan |
| ICICI Bank ECLGS 2 | WCDC | 9.40% | 60 Months | 52.00 | 52.00 | Business Loan |
| Equentia SCF Technologies Pvt. Lts. | WCDC | 15.50% | On demand | | | Second exclusive charge by way of Hypothecation of all receivables, book debts and Current Assets of the borrower, both present and future All receivables of the borrower from the end clients shall be deposited in the designated account, subject to a minimum of 1.5x of the facility which may be monitored by the lender at its sole discretion 15% FD of the limit Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| | | | | 200.00 | 201.72 | |
| Axis Bank | Car Loan | 10.50% | 55 Months | 26.35 | 18.11 | Car Loan for Business Use |
| Kotak mahindra Prime Ltd | Car Loan | 7.70% | 36 Months | 11.00 | 5.47 | Car Loan for Business Use |
| Tata Capital Finance Service Ltd | WCDC | 12.00% | 12 Months | | | FD of Rs. 1.16 Mn Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| | | | | 58.00 | 54.67 | |
| Total Loans | | | | | | 3,631.73 |

Note: Unsecured Loan is taken from Individual at repayable on demand.

| Name of Lender | Nature of Loan | Rate of Interest | Repayment Terms | Amount Financed | Amount Outstanding as on 31.03.23 | Description of Loan |
|----------------|----------------|------------------|---------------------|-----------------|-----------------------------------|---------------------|
| Unsecured Loan | | | | | | |
| Unsecured Loan | Unsecured | 0.00% | Repayable On Demand | 83.91 | 83.91 | Business Loan |
| Unsecured Loan | Unsecured | 4.00% | Repayable On Demand | 55.25 | 55.25 | Business Loan |
| Unsecured Loan | Unsecured | 9.00% | Repayable On Demand | 52.31 | 52.31 | Business Loan |
| Unsecured Loan | Unsecured | 12.00% | Repayable On Demand | 47.29 | 47.29 | Business Loan |

| | | | | | | |
|----------------------------------|-------------|--------------------|------------|--------|-----------------|--|
| HSBC | Cash Credit | 9.50% | 12 Months | | | First Pari Passu charge on the current assets of the Firm, both present and future along with multiple banker ICICI Bank Hypothecation of Stock 25% margin Hypothecation of Receivables not more than 120 Days with 25% margin First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010 with multiple banker ICICI Bank First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074 with multiple banker ICICI Bank 67% Lien of Fixed Deposits with multiple banker ICICI Bank Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, and Smt Sushila Agarwal for Rs 100,000,000/- each |
| | | | | 0.01 | 924.19 | |
| HSBC ECGL | WDCL | 9.50% | 48 Months | | | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| | | | | 198.90 | 88.40 | |
| HSBC ECGL 2 | WDCL | 9.50% | 60 Months | | | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| | | | | 99.00 | 99.00 | |
| ICICI Bank Loan | Cash Credit | 8.70% | 12 Months | 800.00 | 784.57 | First Pari Passu charge on the current assets of the Firm, both present and future including stocks and book debts |
| ICICI Bank | Derivative | As mutually agreed | 12 Months | | | First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010. First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074. Lien of Fixed Deposits for INR 26.50 Mn Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, Mr. Sanwarmal Agarwal and Smt Sushila Agarwal |
| | | | | 65.00 | 0.00 | |
| ICICI Bank ECLGS | WCDL | 9.40% | 48 Months | 98.00 | 51.72 | Business Loan |
| ICICI Bank ECLGS 2 | WCDL | 9.40% | 60 Months | 52.00 | 52.00 | Business Loan |
| DBS Bank | Cash Credit | 9.40% | 12 Months | 5.00 | -0.06 | Business Loan |
| Axis Bank | Car Loan | 10.50% | 55 Monthss | 26.35 | 22.37 | Car Loan for Business Use |
| Kotak mahindra Prime Ltd | Car Loan | 7.70% | 36 Monthss | | | Car Loan for Business Use |
| | | | | 11.00 | 8.39 | |
| Tata Capital Finance Service Ltd | WCDL | 12.00% | 12 Monthss | | | FD of Rs. 1.16 Mn Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| | | | | 58.00 | 55.90 | |
| Total Loans | | | | | 2,325.26 | |
| | | | | | | |

| Name of Lender | Nature of Loan | Rate of Interest | Repayment Terms | Amount Financed | Amount Outstanding as on 31.03.22 | Description of Loan |
|----------------------------------|----------------|------------------|---------------------|-----------------|-----------------------------------|--|
| Unsecured Loan | | | | | | |
| Unsecured Loan | Unsecured | 0.00% | Repayable On Demand | 94.39 | 94.39 | Business Loan |
| Unsecured Loan | Unsecured | 4.00% | Repayable On Demand | 33.59 | 33.59 | Business Loan |
| Unsecured Loan | Unsecured | 9.00% | Repayable On Demand | 260.35 | 260.35 | Business Loan |
| Unsecured Loan | Unsecured | 12.00% | Repayable On Demand | 97.43 | 97.43 | Business Loan |
| Unsecured Loan | Unsecured | 13.00% | Repayable On Demand | 10.00 | 10.00 | Business Loan |
| Unsecured Loan | Unsecured | 16.00% | Repayable On Demand | 21.43 | 21.43 | Business Loan |
| HSBC | Cash Credit | 9.50% | 12 Months | 1000.00 | 1017.13 | First Pari Passu charge on the current assets of the Firm, both present and future along with multiple banker DBS Hypothecation of Stock 25% margin Hypothecation of Receivables not more than 120 Days with 25% margin First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010 with multiple banker DBS First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074 with multiple banker DBS 67% Lien of Fixed Deposits with multiple banker DBS Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, and Smt Sushila Agarwal for Rs 100,000,000/- each |
| HSBC ECGL | WDCL | 9.50% | 48 Months | 198.90 | 154.70 | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| HSBC ECGL 2 | WDCL | 9.50% | 60 Months | 99.00 | 99.00 | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| DBS Bank | Cash Credit | 9.40% | 12 Months | 500.00 | (4.94) | First Pari Passu charge on the current assets of the Firm, both present and future including stocks and book debts First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010. Negative Lien of residential property located in Emami City, Jessore Road, Kolkata – 700074. Lien of Fixed Deposits for INR 13.00 Mn Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, Mr. Sanwamal Agarwal and Smt Sushila Agarwal |
| DBS Bank ECLGS | WCDL | 9.40% | 48 Months | 98.00 | 84.39 | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| DBS Bank WCDL | WCDL | 9.40% | 4 Months | 500.00 | 500.00 | Business Loan |
| Tata Capital Finance Service Ltd | WCDL | 12.00% | 12 Months | 58.00 | 52.51 | FD of Rs. 1.16 Mn Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| Total Loans | | | | | 2,419.98 | |

| Name of Lender | Nature of Loan | Rate of Interest | Repayment Terms | Amount Financed | Amount Outstanding as on 31.03.21 | Description of Loan |
|----------------------------------|----------------|------------------|---------------------|-----------------|-----------------------------------|--|
| Unsecured Loan | | | | | | |
| Unsecured Loan | Unsecured | 0.00% | Repayable On Demand | 34.00 | 34.00 | Business Loan |
| Unsecured Loan | Unsecured | 9.00% | Repayable On Demand | 427.90 | 427.90 | Business Loan |
| Unsecured Loan | Unsecured | 12.00% | Repayable On Demand | 120.99 | 120.99 | Business Loan |
| Unsecured Loan | Unsecured | 13.00% | Repayable On Demand | 10.00 | 10.00 | Business Loan |
| Unsecured Loan | Unsecured | 16.00% | Repayable On Demand | 21.48 | 21.48 | Business Loan |
| HSBC | Cash Credit | 9.50% | 12 Months | | | First Pari Passu charge on the current assets of the Firm, both present and future along with multiple banker DBS Hypothecation of Stock 25% margin Hypothecation of Receivables not more than 120 Days with 25% margin First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010 with multiple banker DBS First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074 with multiple banker DBS 67% Lien of Fixed Deposits with multiple banker DBS Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, and Smt Sushila Agarwal for Rs 100,000,000/- each Corporate Guarantee of Future India with multiple banker DBS |
| | | | | 1000.00 | 182.95 | |
| HSBC ECLGS | WDCL | MCLR + 1.30% | 48 Months | | | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| | | | | 198.90 | 198.90 | |
| HSBC WCDL | WDCL | 9.50% | 4 Months | 800.00 | 800.00 | Same as Cash Credit facility |
| DBS Bank | Cash Credit | 9.40% | 12 Months | | | First Pari Passu charge on the current assets of the Firm, both present and future including stocks and book debts First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010. Negative Lien of residential property located in Emami City, Jessore Road, Kolkata – 700074. Lien of Fixed Deposits for INR 13.00 Mn Personal Guarantee from Mr Sailesh Agarwal, Mr Sourav Agarwal, Mr. Sanwamal Agarwal and Smt Sushila Agarwal Corporate Guarantee of Future India |
| | | | | 500.00 | -8.28 | |
| DBS Bank ECLGS | WCDL | 9.40% | 48 Months | | | Second charge on the existing collateral securities given in the Cash Credit Facility The GECL facility is also backed by 100% guarantee provided by NCGTC which shall be co terminus with the tenor of the facility |
| | | | | 98.00 | 98.00 | |
| DBS Bank WCDL | WCDL | 9.40% | 4 Months | 500.00 | 500.00 | Business Loan |
| Tata Capital Finance Service Ltd | WCDL | 12.00% | 12 Months | | | FD of Rs. 1.16 Mn Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| | | | | 58.00 | 51.98 | |
| Total Loans | | | | | 2,437.92 | |

Trade payables

i) Total outstanding dues of micro enterprises and small enterprises (refer note below)

ii) Total outstanding dues

of creditors other than micro enterprises and small enterprises

789.48 1,594.71 582.94 948.97 1,714.87

Total Trade Payables **789.48** **1,594.71** **582.94** **948.97** **1,714.87**

Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. Further the Company has not incurred any interest on these outstanding dues.

| Particulars | Ageing For Trade Payables Outstanding As At 29th February, 2024 | | | | |
|-----------------------|---|--------------|-----------|-------------------|---------------|
| | Less Than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| MSME | - | - | - | - | - |
| Others | 761.16 | 28.32 | - | - | 789.48 |
| Disputed Dues- MSME | - | - | - | - | - |
| Disputed Dues- Others | - | - | - | - | - |
| Total | 761.16 | 28.32 | - | - | 789.48 |

| Particulars | Ageing For Trade Payables Outstanding As At 11th January, 2024 | | | | |
|-----------------------|--|-------------|-----------|-------------------|-----------------|
| | Less Than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| MSME | - | - | - | - | - |
| Others | 1591.80 | 2.91 | - | - | 1,594.71 |
| Disputed Dues- MSME | - | - | - | - | - |
| Disputed Dues- Others | - | - | - | - | - |
| Total | 1,591.80 | 2.91 | - | - | 1,594.71 |

| Particulars | Ageing For Trade Payables Outstanding As At 31st March, 2023 | | | | |
|-----------------------|--|--------------|-----------|-------------------|---------------|
| | Less Than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| MSME* | - | - | - | - | - |
| Others | 571.09 | 11.85 | - | - | 582.94 |
| Disputed Dues- MSME* | - | - | - | - | - |
| Disputed Dues- Others | - | - | - | - | - |
| Total | 571.09 | 11.85 | - | - | 582.94 |

| Particulars | Ageing For Trade Payables Outstanding As At 31st March, 2022 | | | | |
|-----------------------|--|---------------|-----------|-------------------|---------------|
| | Less Than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| MSME* | - | - | - | - | - |
| Others | 752.33 | 195.75 | 0.00 | 0.89 | 948.97 |
| Disputed Dues- MSME* | - | - | - | - | - |
| Disputed Dues- Others | - | - | - | - | - |
| Total | 752.33 | 195.75 | - | 0.89 | 948.97 |

| Particulars | Ageing For Trade Payables Outstanding As At 31st March, 2021 | | | | |
|-------------|--|-----------|-----------|-------------------|-------|
| | Less Than 1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | Total |
| | | 170 | | | |

| | | | | | |
|-----------------------|-----------------|--------------|--------------|--------------|-----------------|
| MSME* | - | - | - | - | - |
| Others | 1568.68 | 43.62 | 17.44 | 85.12 | 1,714.87 |
| Disputed Dues- MSME* | - | - | - | - | - |
| Disputed Dues- Others | - | - | - | - | - |
| Total | 1,568.68 | 43.62 | 17.44 | 85.12 | 1,714.87 |

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

| 8 OTHER CURRENT LIABILITIES | As at | As at | As at | As at | As at |
|---|----------------------|---------------------|------------------|------------------|------------------|
| | 29th February , 2024 | 11th January , 2024 | 31st March, 2023 | 31st March, 2022 | 31st March, 2021 |
| Advance from Customers | 87.49 | 22.43 | 112.23 | 100.81 | 0.81 |
| a) Statutory Dues | | | | | |
| i) Goods & Services Tax | 30.89 | 16.19 | 7.04 | 8.22 | 6.94 |
| ii) TDS & TCS | 31.79 | 17.40 | 24.04 | 15.45 | 11.12 |
| iii) Employee State Insurance Corporation | - | - | - | - | - |
| b) iv) Professional Tax | 0.37 | 0.29 | 0.04 | 0.06 | 0.34 |
| c) v) Provident Fund & ESIC & Other Funds | 0.43 | 0.00 | - | - | - |
| Audit fees Payable | - | - | - | - | - |
| Liability for Expenses | | | | | |
| i) Salary Payable | 21.49 | 7.88 | 8.46 | 4.33 | 4.21 |
| iii) Other Payables | 0.81 | 15.87 | 3.57 | 3.53 | 2.37 |
| Other Current Liabilities | 173.27 | 80.06 | 155.38 | 132.39 | 25.79 |

| 9 SHORT TERM PROVISIONS | As at | As at | As at | As at | As at |
|---|----------------------|---------------------|------------------|------------------|------------------|
| | 29th February , 2024 | 11th January , 2024 | 31st March, 2023 | 31st March, 2022 | 31st March, 2021 |
| Provision For Tax (Net of Advance Tax, TDS and TCS) | 156.24 | 115.02 | - | 1.08 | 0.22 |
| Provision for Gratuity | 3.13 | - | - | - | - |
| Total Short Term Provision | 159.36 | 115.02 | - | 1.08 | 0.22 |

FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

CIN:U14101WB2024PLC267500

10 PROPERTY, PLANT AND EQUIPMENTS

Notes forming part of the Restated Statement of Assets and Liabilities as at 29th February, 2024

10. SCHEDULE OF PROPERTY PLANT AND EQUIPMENTS OF FORCAS STUDIO LIMITED AS ON 29th February 2024

(Rs. In Lakhs)

| DESCRIPTION | Gross Block | | | | Depreciation | | | Net Block | | |
|-------------------------------|--------------------|-------------|------------------|----------------------|--------------------|--------------|-----------------|----------------------|----------------------|--------------------|
| | As At | Additions | Adjustment/ | As At | As At | Depreciation | Adjustment/ | As At | As At | As At |
| | 11th January, 2024 | During | Deduction during | 29th Fenbruary, 2024 | 11th January, 2024 | During | Deduction | 29th Fenbruary, 2024 | 29th Fenbruary, 2024 | 11th January, 2024 |
| | | the year | the year | | | The Year | during the Year | | | |
| Property, plant and Equipment | 68.99 | - | - | 68.99 | 34.72 | 0.83 | - | 35.56 | 33.43 | 34.26 |
| Motor Car | 53.86 | - | - | 53.86 | 25.26 | 1.20 | - | 26.46 | 27.40 | 28.60 |
| Computer & Printers | 14.27 | 0.31 | - | 14.57 | 9.68 | 0.39 | - | 10.07 | 4.50 | 4.59 |
| | | | | | 0.00 | 0.00 | | | | |
| Furniture & Fittings | 83.06 | - | - | 83.06 | 45.30 | 1.31 | - | 46.61 | 36.44 | 37.76 |
| Office Building | 16.41 | - | - | 16.41 | 5.11 | 0.14 | | 5.25 | 11.16 | 11.30 |
| Total | 236.58 | 0.31 | - | 236.89 | 120.07 | 3.88 | - | 123.95 | 112.94 | 116.51 |

SCHEDULE OF PROPERTY PLANT AND EQUIPMENTS OF FORCAS STUDIO LIMITED AS ON 11th January 2024

(Rs. In Lakhs)

| DESCRIPTION | Gross Block | | | | Depreciation | | | Net Block | | |
|-------------------------------|-----------------|-------------|------------------|--------------------|-----------------|--------------|-----------------|--------------------|--------------------|------------------|
| | As At | Additions | Adjustment/ | As At | As At | Depreciation | Adjustment/ | As At | As At | As At |
| | 1st April, 2023 | During | Deduction during | 11th January, 2024 | 1st April, 2023 | During | Deduction | 11th January, 2024 | 11th January, 2024 | 31st March, 2023 |
| | | the year | the year | | | The Year | during the Year | | | |
| Property, plant and Equipment | 68.20 | 0.78 | - | 68.99 | 29.14 | 5.58 | - | 34.72 | 34.26 | 39.06 |
| Motor Car | 52.95 | 0.91 | - | 53.86 | 15.93 | 9.33 | - | 25.26 | 28.60 | 37.02 |
| Computer & Printers | 11.03 | 3.24 | - | 14.27 | 5.93 | 3.75 | - | 9.68 | 4.59 | 5.11 |
| | | | | | | 0.00 | | | | |
| Furniture & Fittings | 80.24 | 2.82 | - | 83.06 | 35.90 | 9.40 | - | 45.30 | 37.76 | 44.34 |
| | 0.00 | | | | | | | | | |
| Office Building | 16.41 | - | - | 16.41 | 4.20 | 0.91 | | 5.11 | 11.30 | 12.21 |
| Total | 228.83 | 7.75 | - | 236.58 | 91.10 | 28.98 | - | 120.07 | 116.51 | 137.74 |

SCHEDULE OF PROPERTY PLANT AND EQUIPMENTS OF FORCAS STUDIO LIMITED AS ON 31ST MARCH 2023

(Rs. In Lakhs)

| DESCRIPTION | Gross Block | | | | Depreciation | | | | Net Block | | |
|-------------------------------|-----------------|--------------|------------------|------------------|-----------------|--------------|-----------------|------------------|------------------|------------------|--|
| | As At | Additions | Adjustment/ | As At | As At | Depreciation | Adjustment/ | As At | As At | As At | |
| | During | During | Deduction during | As At | As At | During | Deduction | As At | As At | As At | |
| | 1st April, 2022 | the year | the year | 31st March, 2023 | 1st April, 2022 | The Year | during the Year | 31st March, 2023 | 31st March, 2023 | 31st March, 2022 | |
| Property, plant and Equipment | 63.07 | 5.13 | - | 68.20 | 20.75 | 8.39 | - | 29.14 | 39.06 | 42.32 | |
| Motor Car | 8.38 | 44.57 | - | 52.95 | 4.42 | 11.52 | - | 15.93 | 37.02 | 3.96 | |
| Computer & Printers | 4.19 | 6.84 | - | 11.03 | 2.64 | 3.29 | - | 5.93 | 5.11 | 1.55 | |
| Furniture & Fittings | 62.73 | 17.51 | - | 80.24 | 23.37 | 12.53 | - | 35.90 | 44.34 | 39.36 | |
| Office Building | 16.36 | 0.05 | - | 16.41 | 2.92 | 1.28 | - | 4.20 | 12.21 | 13.44 | |
| Total | 154.72 | 74.11 | - | 228.83 | 54.08 | 37.01 | - | 91.10 | 137.74 | 100.64 | |

SCHEDULE OF PROPERTY PLANT AND EQUIPMENTS OF FORCAS STUDIO LIMITED AS ON 31ST MARCH 2022

(Rs. In Lakhs)

| DESCRIPTION | Gross Block | | | | Depreciation | | | | Net Block | | |
|-------------------------------|-----------------|--------------|------------------|------------------|-----------------|--------------|-----------------|------------------|------------------|------------------|--|
| | As At | Additions | Adjustment/ | As At | As At | Depreciation | Adjustment/ | As At | As At | As At | |
| | During | During | Deduction during | As At | As At | During | Deduction | As At | As At | As At | |
| | 1st April, 2021 | the year | the year | 31st March, 2022 | 1st April, 2021 | The Year | during the Year | 31st March, 2022 | 31st March, 2022 | 31st March, 2021 | |
| Property, plant and Equipment | 58.10 | 4.97 | - | 63.07 | 11.74 | 9.01 | - | 20.75 | 42.32 | 46.36 | |
| Motor Car | 8.38 | - | - | 8.38 | 2.62 | 1.80 | - | 4.42 | 3.96 | 5.76 | |
| Computer & Printers | 2.71 | 1.48 | - | 4.19 | 1.49 | 1.15 | - | 2.64 | 1.55 | 1.22 | |
| Furniture & Fittings | 58.29 | 4.43 | - | 62.73 | 10.16 | 13.21 | - | 23.37 | 39.36 | 48.13 | |
| Office Building | 16.01 | 0.35 | - | 16.36 | 1.52 | 1.40 | - | 2.92 | 13.44 | 14.49 | |
| Total | 143.49 | 11.23 | - | 154.72 | 27.53 | 26.55 | - | 54.08 | 100.64 | 115.96 | |

SCHEDULE OF PROPERTY PLANT AND EQUIPMENTS OF FORCAS STUDIO LIMITED AS ON 31ST MARCH 2021

(Rs. In Lakhs)

| DESCRIPTION | As At | Additions | Adjustment/ | As At | As At | Depreciation | Adjustment/ | As At | As At | As At |
|-------------------------------|-----------------|--------------|--------------|------------------|-----------------|--------------|-----------------|------------------|------------------|------------------|
| | 1st April, 2020 | the year | the year | 31st March, 2021 | 1st April, 2020 | The Year | during the Year | 31st March, 2021 | 31st March, 2021 | 31st March, 2020 |
| Property, plant and Equipment | 61.66 | 12.64 | 16.20 | 58.10 | - | 11.74 | - | 11.74 | 46.36 | 61.66 |
| Motor Car | 8.38 | - | - | 8.38 | - | 2.62 | - | 2.62 | 5.76 | 8.38 |
| Computer & Printers | 2.32 | 0.39 | - | 2.71 | - | 1.49 | - | 1.49 | 1.22 | 2.32 |
| Furniture & Fittings | 36.37 | 26.45 | 4.52 | 58.29 | - | 10.16 | - | 10.16 | 48.13 | 36.37 |
| Office Building | 16.01 | - | - | 16.01 | - | 1.52 | - | 1.52 | 14.49 | 16.01 |
| Total | 124.73 | 39.48 | 20.72 | 143.49 | - | 27.53 | - | 27.53 | 115.96 | 124.73 |

| | As at 29th February, 2024 | As at 11th January, 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| 11 DEFERRED TAX ASSETS (NET) | | | | | |
| Deferred tax Assets | | | | | |
| Deferred Tax Impact Depreciation and Amortization Expenses | 10.39 | 10.15 | 7.74 | 5.09 | 2.83 |
| Deferred Tax Impact Provision for Gratuity | - | - | - | - | - |
| Total Deferred Tax Asset | 10.39 | 10.15 | 7.74 | 5.09 | 2.83 |
| | | | | | |
| | As at 29th February, 2024 | As at 11th January, 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| 12 LONG-TERM LOANS & ADVANCES | | | | | |
| Security Deposit | 64.46 | 44.46 | 11.63 | 11.63 | 1.00 |
| <u>Unsecured, considered good</u> | | | | | |
| Deposit against Rent | 14.52 | 13.50 | 16.14 | 18.52 | 19.87 |
| Total Long- Term Loans & Advances | 78.97 | 57.95 | 27.78 | 30.16 | 20.87 |
| | | | | | |
| 13 OTHER NON CURRENT ASSETS | | | | | |
| Fixed Deposits | 832.38 | 832.38 | 460.61 | 336.41 | 333.46 |
| Insurance | - | - | - | - | - |
| Total Non Current Assets | 832.38 | 832.38 | 460.61 | 336.41 | 333.46 |
| | | | | | |
| 14 INVENTORY | | | | | |
| Raw Materials & Consumables | 519.75 | 294.55 | 241.65 | 942.07 | 1,061.49 |
| Work in Progress | 317.90 | 149.01 | 243.63 | 352.75 | 452.80 |
| Finished Goods | 1,317.43 | 1,441.99 | 1,323.56 | 1,638.92 | 757.90 |
| Total inventory | 2,155.08 | 1,885.55 | 1,808.84 | 2,933.73 | 2,272.20 |

| | As at 29th February, 2024 | As at 11th January, 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------------------|-----------------------------------|------------------------------|------------------------------|------------------------------|
| 15 TRADE RECEIVABLES | | | | | |
| Trade Receivables outstanding for a period exceeding six months from the date they were due for payment | | | | | |
| Unsecured, considered good | | | | | |
| - Related Parties | - | - | - | - | - |
| - Others | 149.63 | - | - | 28.70 | 25.34 |
| Other Trade Receivables | | | | | |
| Unsecured, considered good | 2,383.14 | 3,001.09 | 1,166.60 | 544.61 | 1,841.88 |
| | 2,383.14 | 3,150.72 | 1,166.60 | 573.31 | 1,867.22 |

| Particulars | Ageing For Trade Receivables Outstanding As At 29th February, 2024 | | | | | | Total |
|---|--|-----------------|-----------|-----------|-------------------|----------|-------|
| | Less Than 6 Months | 6 Months-1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | | |
| Undisputed trade receivables- considered good | 2383.14 | - | - | - | - | 2,383.14 | |
| Undisputed trade receivables- considered doubtful | - | - | - | - | - | - | |
| Disputed trade receivables- considered good | - | - | - | - | - | - | |
| Disputed trade receivables- considered doubtful | - | - | - | - | - | - | |

| Particulars | Ageing For Trade Receivables Outstanding As At 11th January, 2024 | | | | | | Total |
|---|---|-----------------|-----------|-----------|-------------------|----------|-------|
| | Less Than 6 Months | 6 Months-1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | | |
| Undisputed trade receivables- considered good | 3001.09 | 146.71 | 2.91 | - | - | 3,150.72 | |
| Undisputed trade receivables- considered doubtful | - | - | - | - | - | - | |
| Disputed trade receivables- considered good | - | - | - | - | - | - | |
| Disputed trade receivables- considered doubtful | - | - | - | - | - | - | |

| Particulars | Ageing For Trade Receivables Outstanding As At 31st March,2023 | | | | | | Total |
|---|--|-----------------|-----------|-----------|-------------------|----------|-------|
| | Less Than 6 Months | 6 Months-1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | | |
| Undisputed trade receivables- considered good | 1166.60 | - | - | - | - | 1,166.60 | |
| Undisputed trade receivables- considered doubtful | - | - | - | - | - | - | |
| Disputed trade receivables- considered good | - | - | - | - | - | - | |
| Disputed trade receivables- considered doubtful | - | - | - | - | - | - | |

| Particulars | Ageing For Trade Receivables Outstanding As At 31st March,2022 | | | | | | Total |
|---|--|-----------------|-----------|-----------|-------------------|--------|-------|
| | Less Than 6 Months | 6 Months-1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | | |
| Undisputed trade receivables- considered good | 544.61 | 17.72 | 8.02 | 2.77 | 0.18 | 573.31 | |
| Undisputed trade receivables- considered doubtful | - | - | - | - | - | - | |
| Disputed trade receivables- considered good | - | - | - | - | - | - | |
| Disputed trade receivables- considered doubtful | - | - | - | - | - | - | |

| Particulars | Ageing For Trade Receivables Outstanding As At 31st March,2021 | | | | | | Total |
|---|--|-----------------|-----------|-----------|-------------------|----------|-------|
| | Less Than 6 Months | 6 Months-1 Year | 1-2 Years | 2-3 Years | More Than 3 Years | | |
| Undisputed trade receivables- considered good | 1841.88 | 20.11 | 5.23 | - | - | 1,867.22 | |
| Undisputed trade receivables- considered doubtful | - | - | - | - | - | - | |
| Disputed trade receivables- considered good | 0.00 | - | - | - | - | - | |
| Disputed trade receivables- considered doubtful | - | - | - | - | - | - | |

| | As at 29th February , 2024 | As at 11th January , 2024 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---|--|--|--|--|
| 16 CASH & CASH EQUIVALENTS | | | | | |
| Cash in hand (As Certified by the Management) | 16.20 | 35.66 | 19.93 | 41.23 | 30.21 |
| Balances with bank(s) | 3.16 | 1.00 | - | - | 0.11 |
| Total Cash & Cash Equivalents | 19.36 | 36.66 | 19.93 | 41.23 | 30.32 |
| 17 SHORT-TERM LOANS & ADVANCES | | | | | |
| Other Loans & Advances | | | | | |
| Balances with Govt Authorities | 242.77 | 239.10 | 124.53 | 84.08 | 30.47 |
| TDS Receivable/TCS Receivable | 5.12 | 4.73 | 0.06 | - | - |
| Advance to suppliers | - | - | - | - | - |
| Advance against expenses | 29.95 | 49.17 | 26.72 | 91.28 | 99.20 |
| Advance to Employees | 13.26 | 14.46 | 23.33 | 6.61 | 14.18 |
| Other advances | - | 95.17 | 118.24 | 128.97 | 101.32 |
| Prepaid expenses | 1.75 | 1.75 | 1.75 | 1.75 | 2.70 |
| Total Short-term loans & advances | 292.86 | 404.39 | 294.62 | 312.70 | 247.87 |
| | | | | | |
| | For the Period from January 12, 2024 to 29th February,2024 | For the Period from 01-April, 2023 to 11th January,2024 | Year ended 31st March, 2023 | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
| | (Rs. In lakhs) | (Rs. In lakhs) | (Rs. In lakhs) | (Rs. In lakhs) | (Rs. In lakhs) |
| 18 REVENUE FROM OPERATIONS | | | | | |
| Sale of Goods | | | | | |
| a) Sale of Apparels | 2418.50 | 7188.74 | 6960.46 | 5320.02 | 5051.04 |
| Total Revenue from operations | 2,418.50 | 7,188.74 | 6,960.46 | 5,320.02 | 5,051.04 |
| 19 OTHER INCOME | | | | | |
| Discount Received | - | 11.86 | 178.49 | 31.81 | 37.92 |
| Interest on Fixed Deposit | 5.77 | 16.76 | 12.06 | 15.47 | 20.46 |
| Interest on Loan Received | - | - | 3.69 | 4.38 | 4.14 |
| Interest Received | - | - | - | - | 0.04 |
| Transportation Charges Recd | - | 0.14 | 0.18 | 0.05 | -0.46 |
| Freight Charges Received | - | - | - | 0.00 | 0.00 |
| Rounding Off | 0.00 | 0.00 | 0.05 | 0.01 | 0.00 |
| Shortage Income | - | - | - | 0.03 | 0.00 |
| Short & Excess Received | 0.03 | 6.97 | - | 8.19 | 0.00 |
| Transit Insurance Claim | - | - | - | 0.48 | 0.00 |
| Scheme & Discount | - | - | 7.48 | - | 0.00 |
| | 5.80 | 35.74 | 201.96 | 60.42 | 62.10 |
| Total Other Income | 5.80 | 35.74 | 201.96 | 60.42 | 62.10 |
| 20 COST OF MATERIAL CONSUMED | | | | | |
| Opening Stock | 294.55 | 241.65 | 942.07 | 1,061.49 | 384.84 |
| Add: Purchase | 1713.90 | 4567.34 | 3116.10 | 4422.98 | 3988.38 |
| Less: Closing Stock | 519.75 | 294.55 | 241.65 | 942.07 | 1061.49 |
| Total Cost of Material Consumed | 1,488.70 | 4,514.43 | 3,816.52 | 4,542.41 | 3,311.73 |
| 21 Other Direct Expenses | | | | | |
| Job Charges | 220.26 | 656.60 | 827.74 | 723.75 | 609.91 |
| Carriage in Ward | 0.03 | 0.05 | 0.72 | 1.27 | 1.36 |
| Cartage & Coolie | - | 0.04 | 0.08 | 0.00 | 0.19 |
| Delivery Charges | - | 0.01 | 0.07 | 0.40 | 0.13 |
| Entry Tax | - | - | - | - | 0.26 |
| Freight Charges | 0.28 | 6.51 | 9.48 | 2.34 | 1.29 |
| Insurance (Purchase)-GST | - | 0.14 | 0.02 | 0.04 | 0.00 |
| Ironing Expenses | - | - | - | - | 0.01 |
| Packing Charges | - | - | 0.00 | 0.06 | 0.04 |
| Packing & Finishing Charges | 4.56 | 157.05 | 165.28 | 62.67 | 25.41 |
| Washing & Altering Charge | 1.79 | 49.41 | 8.38 | 4.50 | 9.28 |
| Total Purchases | 226.91 | 869.80 | 1,011.77 | 795.04 | 647.88 |
| 22 Changes in Inventories of Finished Goods & WIP | | | | | |
| Opening Stock of FG | 1,441.99 | 1,323.56 | 1,638.92 | 757.90 | 1236.35 |
| Opening Stock of WIP | 149.01 | 243.63 | 352.75 | 452.80 | 371.63 |
| Less : Closing stock of FG | 1317.43 | 1441.99 | 1323.56 | 1638.92 | 757.90 |
| Less : Closing stock of WIP | 317.90 | 149.01 | 243.63 | 352.75 | 452.80 |
| Total Purchases | -44.33 | -23.81 | 424.48 | -780.96 | 397.28 |
| 23 EMPLOYEE BENEFITS EXPENSE | | | | | |
| a) Director's Salary | | | | | |
| Sailesh Agarwal | - | 6.75 | 9.00 | 9.00 | 9.00 |
| Sourav Agarwal | - | 6.75 | 9.00 | 9.00 | 9.00 |
| Salaries & Wages | 32.87 | 87.64 | 118.32 | 121.75 | 106.72 |
| b) Employer Contribution to ESIC & EPF | 0.49 | - | - | - | - |
| c) Staff & Welfare Expenses | 1.35 | 12.39 | 10.80 | 2.98 | 1.14 |
| d) Gratuity Expenses | 3.13 | - | - | - | - |
| Total Employee benefit expenses | 37.84 | 113.53 | 147.12 | 142.73 | 125.86 |

| | | | | | |
|--|---------------|-----------------|-----------------|---------------|---------------|
| 24 FINANCE COST | | | | | |
| Interest on Loan | - | 23.50 | 28.11 | 36.90 | 41.63 |
| Interest on OD | 31.05 | 135.39 | 136.45 | 140.07 | 132.84 |
| Interest on Partner's Capital | - | 54.92 | 75.48 | 60.14 | 70.06 |
| Interest on Term Loan | 3.21 | 16.41 | 7.38 | 6.22 | 6.94 |
| Loan Processing Fees | 12.75 | 2.68 | 10.81 | 6.25 | 7.30 |
| Interest on ECGL DBS & HSBC | 3.24 | 52.33 | 29.06 | - | - |
| Interest Others | 3.42 | - | 8.74 | - | - |
| Interest on Motor Car Loan | 0.20 | 2.30 | 2.56 | - | - |
| Total Finance Cost | 53.88 | 287.54 | 298.59 | 249.58 | 258.77 |
| 25 DEPRECIATION ON PROPERTY, PLANT & EQUIPMENTS | | | | | |
| Tangible Assets | 3.88 | 28.98 | 37.01 | 26.55 | 27.53 |
| Intangible Assets | - | - | - | - | - |
| Total Depreciation On Fixed Assets | 3.88 | 28.98 | 37.01 | 26.55 | 27.53 |
| 26 OTHER EXPENSES | | | | | |
| Accounting Charges | - | - | - | - | 2.40 |
| Advertisement | - | - | - | 0.04 | 0.74 |
| Auditor's Remuneration | 0.50 | 0.95 | 0.80 | 0.65 | 0.50 |
| Computer Maintenance | 1.39 | 1.54 | 1.03 | 0.26 | 0.10 |
| Consultancy Charges | 4.45 | 20.85 | 9.25 | - | 0.07 |
| Conveyance Expenses | 1.47 | 4.06 | 4.64 | 6.98 | 5.65 |
| Courier Charges | 1.16 | 0.56 | 0.51 | 0.79 | 0.29 |
| Discounts & Shortage | 4.50 | 20.59 | 220.89 | 36.16 | 57.23 |
| Donation | - | 0.33 | - | 0.00 | - |
| Electricity Charges | 0.66 | 7.38 | 7.25 | 8.81 | 4.63 |
| Freight Charges | - | - | 0.03 | - | - |
| General Expenses | 4.61 | 3.23 | 3.93 | 3.98 | 3.38 |
| Inspection / Q.C. Charges | 0.01 | 0.42 | 1.25 | 0.58 | 0.53 |
| Internet Charges | 0.00 | 0.40 | 0.23 | 0.18 | 0.14 |
| Insurance | - | 7.44 | 5.54 | 4.77 | 4.19 |
| GST Late Fine | - | - | 0.00 | 0.03 | 0.09 |
| Late Fees | - | - | 0.84 | 1.29 | 0.10 |
| Label Charges | - | - | - | - | 0.03 |
| Logistic Charges | 2.84 | 15.75 | 2.51 | 9.07 | - |
| Misc Expenses | 1.70 | 34.85 | 2.17 | 1.84 | 1.38 |
| Motor Car Expenses | 1.13 | 2.95 | 2.48 | 4.95 | 5.19 |
| Office Expenses | 1.39 | 3.25 | 3.92 | 2.61 | 1.00 |
| Office Maintenance | 1.25 | 1.79 | 1.74 | 2.59 | 1.97 |
| Online B-C Expenses | 437.33 | 702.15 | 757.01 | 62.20 | 1.66 |
| Photoshoot | - | 0.03 | 4.71 | - | 1.10 |
| Postage & Courier Charges | 0.23 | 1.60 | 2.30 | 1.60 | 3.30 |
| Printing & Stationery | 1.46 | 1.98 | 3.11 | 2.45 | 1.72 |
| Printing Cylinder | - | - | 0.00 | - | - |
| Profession Tax - Expenses | - | 0.03 | 0.03 | 0.03 | 0.03 |
| Profession Fees | 1.50 | 2.73 | 5.05 | 0.66 | 0.11 |
| Rent | 7.70 | 68.52 | 106.01 | 65.74 | 53.01 |
| Repair & Maintenance | 1.62 | 6.24 | 6.16 | 1.79 | 2.41 |
| ROC Fees | 7.52 | 8.83 | - | - | - |
| Rounding Off | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sales Commission | 0.01 | 13.67 | 25.12 | 12.47 | 8.06 |
| Sales Promotion Expenses | 7.00 | - | 0.10 | 2.69 | 3.27 |
| Sampling Expenses | 0.01 | 2.64 | 2.63 | 0.81 | 0.02 |
| Security Guard Charges | 1.34 | 13.41 | 14.50 | 1.98 | - |
| Service Charges on Generator | - | - | - | - | 1.71 |
| Short & Excess Payment W/off | - | - | 1.56 | - | 30.20 |
| Software Maintenance | - | 9.87 | 3.27 | 0.34 | 0.17 |
| Sundry Balances W/off | - | - | - | - | 13.78 |
| TDS Filing Charges | - | - | 0.01 | 0.01 | - |
| Technical Service Charges | - | - | - | 0.24 | - |
| Telephone Expenses | 1.50 | 1.72 | 1.06 | 0.99 | 0.55 |
| Tea & Tiffin | 1.40 | 2.21 | 0.19 | - | - |
| Trade License | - | 0.08 | 0.16 | 0.04 | 0.04 |
| Trade Mark Charges | - | - | 0.45 | 0.18 | - |
| Transportation Charge Paid | 1.98 | 54.72 | 83.52 | 80.26 | 67.31 |
| Travelling Expenses | 1.81 | 21.82 | 22.45 | 4.51 | 8.35 |
| Interest on GST | - | - | 0.07 | 0.02 | 0.02 |
| Interest on Professional Tax | - | - | 0.02 | 0.01 | 0.05 |
| Interest Paid on TDS | - | - | 3.51 | 1.99 | 1.69 |
| Interest Paid on TCS | - | - | 0.05 | 0.07 | 0.07 |
| Bank Charges | 0.00 | 0.01 | 0.36 | 0.00 | 0.33 |
| | 499.48 | 1,038.63 | 1,312.38 | 326.66 | 288.55 |

| 27 | Income taxes | Period ended 29th February, 2024 (Rs. In lakhs) | Period ended 11th January, 2024 (Rs. In lakhs) | Year ended 31st March, 2023 (Rs. In lakhs) | Year ended 31st March, 2022 (Rs. In lakhs) | Year ended 31st March, 2021 (Rs. In lakhs) |
|-------|---|---|--|--|--|--|
| | Income tax related to items charged or credited directly to profit or loss during the year : | | | | | |
| a) | Statement of profit and loss | | | | | |
| (i) | Current Income Tax | 41.21 | - | - | - | - |
| (ii) | Deferred Tax expense / (benefit) | 0.25 | - | - | - | - |
| (iii) | Income tax adjustment for earlier years | - | - | - | - | - |
| | Total (a+b) | 40.97 | - | - | - | - |
| | Income taxes | | | | | |
| | Income tax related to items charged or credited directly to profit or loss during the year : | | | | | |
| | | (Rs. In lakhs) | (Rs. In lakhs) | (Rs. In lakhs) | (Rs. In lakhs) | (Rs. In lakhs) |
| a) | Statement of profit and loss | | | | | |
| (i) | Current Income Tax | 41.21 | - | - | - | - |
| (ii) | Deferred Tax expense / (benefit) | 0.25 | - | - | - | - |
| (iii) | Income tax adjustment for earlier years | - | - | - | - | - |
| | Total (a+b) | 40.97 | - | - | - | - |
| | The reconciliation of estimated income tax (arrived at by multiplying accounting profit with India's domestic tax rate) to income tax expense is as follows. | | | | | |
| | Profit / (Loss) before taxes | 157.94 | - | - | - | - |
| | Enacted Income Tax rate in India | 25.17% | - | - | - | - |
| | Income tax expense at tax rates applicable | 39.75 | - | - | - | - |
| | Adjustments ; | | | | | |
| | Tax effect of items that are deductible for tax purpose | 1.46 | - | - | - | - |
| | Tax effect of items that are not deductible for tax purpose | - | - | - | - | - |
| | Creation of Deferred Tax | 0.25 | - | - | - | - |
| | Other Adjustments | | | | | |
| | Previous period adjustments | - | - | - | - | - |
| | Others | - | - | - | - | - |
| | Income tax expense reported | 40.97 | - | - | - | - |
| | Effective Income tax rate (%) | 25.94% | - | - | - | - |

| 28 Contingent Liabilities and Capital commitments | 29th February, 2024 | 11th January, 2024 | 31st March, 2023 | 31 March 2022 | 31 March 2021 |
|--|------------------------|-----------------------|---------------------|---------------|---------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | | | | | |
| Other commitments relating to settlement of litigation disputes | - | - | - | - | - |
| Disputed demands with various government departments. | 230.52 | 230.52 | 230.52 | - | - |
| Income Tax Asst Year: 2018-2019 Rs. 230.52/- | | | | | |

29 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013

29.1 Defined Benefit Plan: The following are the types of defined benefit plans:

a Gratuity Plan

15 days salary for every completed year of service. Vesting period is 5 years and payment is restricted to Rs. 20 lacs. The present value of defined obligation and related current cost are measured using the Projected Credit Method with actuarial valuation being carried out at each balance sheet date.

b Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

| | |
|--|---|
| Interest Rates Risk | The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs. |
| Salary Inflation Risk | The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect. |
| Demographic Risk | Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees. |
| Actuarial Risk | It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date. |
| Liquidity Risk | Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows. |
| Asset Liability Mismatch: | This will come into play unless the funds are invested with a term of the assets replicating the term of the liability |
| Investment Risk: | For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period. |
| Market Risk: | Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date. |
| Legislative Risk/Regulatory Risk: | Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective. |

c **Reconciliation of the net defined benefit (asset)/ liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

| Particulars | Gratuity |
|--|--|
| | For the period ended 29th February, 2024 |
| Balance for previous years recorded in this year | - |
| Current Service Cost | 3.13 |
| Interest Cost on Defined Benefit Obligation | - |
| Current year Adjustments | - |
| Actuarial Gain and Losses arising from | - |
| Changes in demographic and financial assumptions | - |
| Experience Adjustment | - |
| Benefits Paid | - |
| Balance at the end of the year | 3.13 |

Note : No provision for gratuity was recorded in the earlier years hence, the entire amount has been recognised in the Profit and Loss Account in the current year.

d

| Particulars | Gratuity |
|---|--|
| | For the period ended 29th February, 2024 |
| Balance for previous years recorded in this year | - |
| Current Service Cost | 3.13 |
| Interest Cost | - |
| Actuarial Gain or Loss | - |
| Expenses recognized in Statement of Profit & Loss | 3.13 |

Note : No provision for gratuity was recorded in the earlier years hence, the entire amount has been recognised in the Profit and Loss Account in the current year.

e **Actuarial Assumptions**

| Particulars | Gratuity |
|---------------------------------|--|
| | For the period ended 29th February, 2024 |
| Financial Assumptions | |
| Discount Rate | 7.25% |
| Salary Escalation Rate | 7% |
| Attrition Rates | 10% |
| Demographic Assumptions | |
| Mortality Rate | (% of IALM 2012-14 ultimate) |
| Disability Rate | 5% |
| Withdrawal Rate | |
| Grades Rate from Age 40 | 8.33% |
| Grades Rate from Age 45 | 5.56% |
| Grades Rate from Age 50 | 2.78% |
| Grades Rate from Age 55 | 1.39% |
| Note : Retirement Age 58 | |

f The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply

g **Maturity Profile of Defined Benefit Obligations**

| Expected benefits payment | Discounted Values/Present Values | Undiscounted Values/Actual Values |
|---------------------------|----------------------------------|-----------------------------------|
| Year 1 | 693.00 | 730.00 |
| Year 2 | 693.00 | 784.00 |
| Year 3 | 699.00 | 849.00 |
| Year 4 | 711.00 | 926.00 |
| Year 5 | 732.00 | 1022.00 |

h Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| Particulars | Gratuity (29.2.2024) | | |
|--|--|-----------|--|
| | % Increase in Defined Benefit Obligation | Liability | Increase / Decrease in Defined Benefit Obligations |
| Effect on DBO due to 1% increase in Discount Rate | - 10.31 | 280375.00 | (32,244.00) |
| Effect on DBO due to 1% decrease in Discount Rate | 12.16 | 350629.00 | 38,009.00 |
| Effect on DBO due to 1% increase in Salary Escalation Rate | 11.88 | 349760.00 | 37,141.00 |
| Effect on DBO due to 1% decrease in Salary Escalation Rate | - 10.25 | 280571.00 | (32,048.00) |
| Effect on DBO due to 1% increase in Attrition Rate | - 3.94 | 300300.00 | (12,319.00) |
| Effect on DBO due to 1% decrease in Attrition Rate | 4.14 | 325549.00 | 12,930.00 |
| Mortality rate 10% Up | - 0.01 | 312593.00 | (26.00) |

While one of the parameters mentioned above is changed by 100 basis points, Other parameters are kept unchanged for evaluating the DBO While there is no change in the method used for sensitivity analysis from previous period, the change in assumptions now considered are with reference to the current assumptions Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

30 RELATED PARTY DISCLOSURE

Details of related parties:

| Names of related parties |
|---|
| Sailesh Agarwal |
| Sourav Agarwal |
| Shailesh Agarwal HUF |
| Sourav Agarwal HUF |
| Sanwarmal Agarwal |
| Sanwarmal Agarwal HUF |
| Sushila Agarwal |
| Priyanka Agarwal |
| Ritoo Agarwal |
| D.D. Traders (also known as Agarwal Plastics) |
| Forcas Apparels Pvt Ltd |
| Om Dealcom Pvt. Ltd. |

(Related parties relationship is as identified by the Company and relied upon by the Auditors)

Following are the transactions with related parties as defined under Accounting Standard -18 on related party disclosures issued by Institute of Chartered Accountants of India :

| Sl. No. | Name of Party | Nature of Relationship | Nature of Transaction | 12.01.2024 to 29.02.24 Amount (₹) | 01.04.23 to 11.01.24 Amount (₹) | 2022-2023 Amount (₹) | 2021-2022 Amount (₹) | 2020-2021 Amount (₹) |
|-----------------------|-----------------|------------------------|-----------------------------------|-----------------------------------|---------------------------------|----------------------|----------------------|----------------------|
| 1 | KMP | KMP | Short Term Borrowings Taken | 136.75 | 557.75 | 376.34 | 575.67 | 639.09 |
| | | | | (557.75) | (376.34) | (575.67) | (639.09) | (465.20) |
| | | | Short Term Borrowings Repaid | 162.92 | 439.35 | 432.73 | 528.17 | 452.57 |
| | | | | (439.35) | (432.73) | (528.17) | (452.57) | (274.40) |
| | | | Salary Paid | 4.00 | 13.50 | 18.00 | 18.00 | 18.00 |
| | (13.50) | (18.00) | (18.00) | (18.00) | (18.00) | | | |
| | | Interest Paid | 0.00 | 87.77 | 75.48 | 60.14 | 80.76 | |
| | | | (87.77) | (75.48) | (60.14) | (80.76) | (72.49) | |
| 2 | Relative of KMP | Relative of KMP | Purchase of Goods | 101.72 | 0.00 | 17.69 | 8.73 | 0.00 |
| | | | | 0.00 | (17.69) | (8.73) | 0.00 | (32.29) |
| | | | Repaid for purchase | 0.00 | 0.00 | 0.00 | 8.73 | 0.00 |
| | | | | 0.00 | 0.00 | (8.73) | 0.00 | 0.00 |
| | | | Short Term Loan & Advances taken | 0.00 | 15.85 | 17.05 | 0.81 | 0.00 |
| | | | | (15.85) | (17.05) | (0.81) | 0.00 | 0.00 |
| | | | Short Term Loan & Advances Repaid | 0.00 | 71.62 | 0.40 | 0.00 | 4.22 |
| | | | | (71.62) | (0.40) | 0.00 | (4.22) | (202.00) |
| | | | Short Term Borrowings Taken | 9.51 | 49.00 | 57.18 | 49.47 | 0.00 |
| | | | | (49.00) | (57.18) | (49.47) | 0.00 | (14.40) |
| | | | Short Term Borrowings Repaid | 71.30 | 36.93 | 39.19 | 89.68 | 302.24 |
| | | | | (36.93) | (39.19) | (89.68) | (302.24) | (206.89) |
| | | | Salary Paid | 2.00 | 27.00 | 44.50 | 48.00 | 48.00 |
| | | | | (27.00) | (44.50) | (48.00) | (48.00) | (48.00) |
| | | | Interest Paid | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | |
| Unsecured Loan Taken | 0.00 | 62.99 | 12.45 | 77.27 | 13.31 | | | |
| | (62.99) | (12.45) | (77.27) | (13.31) | (59.86) | | | |
| Unsecured Loan Repaid | 0.00 | 25.46 | 82.79 | 27.92 | 260.31 | | | |
| | (25.46) | (82.79) | (27.92) | (260.31) | (33.95) | | | |

Balance outstanding at the end of the period

| | | | | | |
|-----------------|----------|---------|---------|---------|---------|
| KMP | 128.85 | 1102.94 | 850.61 | 845.99 | 720.34 |
| Relative of KMP | -1102.94 | -850.61 | -845.99 | -720.34 | -412.42 |
| | 137.46 | 241.59 | 100.44 | 251.49 | 455.91 |
| | -241.59 | -100.44 | -251.49 | -455.91 | -726.41 |

Note : Figures in negative denotes previous year figure

Notes to the restated financial statements as at 29th February, 2024(Continued)
(Currency: Rupees in lakhs)

| 31 Earnings per share (EPS) as per AS 20 | 29th February, 2024 | 11th January, 2024 | 30 March 2023 | 31 March 2022 | 31 March 2021 |
|--|------------------------|-----------------------|------------------|---------------|---------------|
| Calculation of weighted average number of equity shares of Rs 10 each fully paid up: | | | | | |
| Number of equity shares at the beginning of the year | 9,518,400 | 10,727,756 | 8,602,598 | 8,308,431 | 7,119,356 |
| Total number of equity shares outstanding at the end of the year-A | 12,900,000 | 10,727,756 | 8,602,598 | 8,308,431 | 7,119,356 |
| Weighted average number of equity shares outstanding during the year –B | 5916422 | 10,727,756 | 8,602,598 | 8,308,431 | 7,119,356 |
| Net profit attributable to equity shareholders for calculation of basic EPS – C | 116.97 | 397.78 | 117.19 | 80.71 | 58.38 |
| Basic and Diluted EPS (Rs.) (C/B)(Based on weighted average number of shares)(Rs) | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |
| Basic and Diluted EPS (Rs.) (C/A)(Based on shares at the end of year)(Rs) | 0.91 | 3.71 | 1.36 | 0.97 | 0.82 |

(Note : No of equity shares has been calculated for FY 2020-21, 2021-22, 2022-23 and till 11.04.2024 by division of combined closing capital of partner's with face value of shares i.e. Rs 10 each)

32 Disclosure on Corporate Social Responsibility Expenses

Provisions of Section 135 of the Companies Act, 2013 and rules made thereunder are not applicable to the company.

33 Segment Information

The company operates in a single reportable primary segment (Business segment) i.e. Manufacture of Apparels

No other operating segments have been aggregated to form the above reportable operating segments as per the criteria specified in the AS.

Business Segment wise / Geographical Segment wise revenue/results/assets/liabilities

Since there is Single Reportable Operating Segment hence disclosure of Operating Segment wise Assets, Liabilities, Revenue and Results are not applicable.

| 34 Information under section 186(4) of the companies Act, 2013 | 12th January 2024 | Given | Realised | 29th February, 2024 |
|--|-----------------------|--------------|-----------------|------------------------------|
| a. Loan given during the period ended 29th February, 2024 | | | | |
| Wholly owned subsidiaries | NA | NA | NA | NA |
| Others | - | - | - | - |
| a) Loans given during the Period 01.04.2023 to 11.01.2024 | | | | 11th January 2024 |
| | 1st April 2023 | Given | Realised | |
| Wholly owned subsidiaries | NA | NA | NA | NA |
| Others | - | - | - | - |
| a) Loans given during the FY 2022-23 | | | | 31st March 2023 |
| | 1st April 2022 | Given | Realised | |
| Wholly owned subsidiaries | NA | NA | NA | NA |
| Others | - | - | - | - |

b) Loans given during the FY 2021-22

| | 1st April 2021 | Given | Realised | 31st March 2022 |
|---------------------------|----------------|-------|----------|-----------------|
| Wholly owned subsidiaries | NA | NA | NA | NA |
| Others | - | - | - | - |

c) Loans given during the FY 2020-21

| | 1st April 2020 | Given | Realised | 31 st march 2021 |
|---------------------------|----------------|-------|----------|------------------|
| Wholly owned subsidiaries | NA | NA | NA | NA |
| Others | - | - | - | - |

d) Investment made

There are no investments by the company .

e) Guarantee given

- i) To secure obligation of wholly owned subsidiaries NIL
- ii) To secure obligation of other related parties NIL

f) Security given

There is no security given during the year.

In the opinion of the Board of Directors and to the best of their knowledge and belief, the valuation on realisation of financial assets and other assets in the ordinary course of business would not be less than the amount at which they are stated in the financial statements.

Notes to the restated financial statements as at 29th February, 2024(Continued)

(Currency: Rupees in lakhs)

35 Statement of Accounting Ratios :

| Particulars | 29th February, | 11th January | 31 March | 31 March 2022 | 31 March 2021 |
|--|----------------|--------------|-----------|---------------|---------------|
| | 2024 | 2024 | 2023 | | |
| Net Worth (A) | 1,901.97 | 1,072.78 | 860.26 | 830.84 | 711.94 |
| EBITDA | 215.70 | 711.89 | 450.15 | 354.57 | 341.84 |
| Restated PAT as per Profit and Loss Account(Rs. In lakhs) | 116.97 | 397.78 | 117.19 | 80.71 | 58.38 |
| Less: Prior Period Item | - | - | - | - | - |
| Adjusted Profit After Tax (PAT) [B] | 116.97 | 397.78 | 117.19 | 80.71 | 58.38 |
| Actual Number of outstanding equity shares at the end of the period (C) | 12,900,000 | 10,727,756 | 8,602,598 | 8,308,431 | 7,119,356 |
| Weighted average no of equity shares at the time of end of the year (D) (Pre Bonus/Right i | 69,16,422 | 10,727,756 | 8,602,598 | 8,308,431 | 7,119,356 |
| Weighted Number of outstanding equity shares at the end of the period (E) (Post Bonus iss | 69,16,422 | 10,727,756 | 8,602,598 | 8,308,431 | 7,119,356 |
| Current Assets (F) | 4,850.45 | 5,477.32 | 3,289.99 | 3,860.97 | 4,417.61 |
| Current Liabilities (G) | 3,582.27 | 4,913.09 | 2,557.38 | 2,805.49 | 3,273.35 |
| Face value per share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Number of shares | 12,900,000 | 10,727,756 | 8,602,598 | 8,308,431 | 7,119,356 |
| Net Assets Value per share (A/C) | 14.74 | 10.00 | 10.00 | 10.00 | 10.00 |
| Earnings per share | | | | | |
| Restated basic and diluted earning per share (Pre Bonus/Right issue INR) (B/D)(Rs) | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |
| Restated basic and diluted earning per share (Post Bonus INR) (B/E)(Rs) | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |
| Basic and Diluted EPS (Rs.) (B/C)(Based on shares at the end of year)(Rs) | 0.91 | 3.71 | 1.36 | 0.97 | 0.82 |
| Return on Net Worth (%) (B/A) | 6.15% | 37.08% | 13.62% | 9.71% | 8.20% |
| Current Ratio (F/G) | 1.35 | 1.11 | 1.29 | 1.38 | 1.35 |

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
 - (a) Basis Earning 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 for diluted EPS
 - (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) Current Ratio -: Current Assets at the end of the period or year / Current Liabilities at the end of the period or year
 - (e) 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
- 2) Net worth for ratios mentioned in note is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 3) The figures disclosed above are based on the restated summary statements of the Group.
- 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.

36 Tax Shelter Statement

| Particulars | 29th | 11th | 31 March | 31 March 2022 | 31 March 2021 |
|-------------------------------------|---------------|--------------|----------|---------------|---------------|
| | February,2024 | January,2024 | 2023 | | |
| (A) Profit before taxes as Restated | | | | | |
| - Taxable at Normal Rate | 157.94 | 395.37 | 114.55 | 78.44 | 55.55 |
| - Taxable at Special Rate | - | - | - | - | - |
| (B) Applicable Tax rates | | | | | |
| Normal Tax Rate Applicable % | 25.17% | 25.17% | 25.17% | 25.17% | 25.17% |
| Special Tax Rate Applicable % | | | | | |
| (C) Tax Impact (A*B) | 39.75 | 99.52 | 28.83 | 19.74 | 13.98 |
| (D) Adjustments | | | | | |
| Difference in Depreciation | 0.98 | 9.57 | 10.50 | 9.00 | 11.24 |
| Expenses Disallowed | - | - | - | - | - |

(E) Total Adjustments

| | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| (F) Tax Expense/(Saving) thereon | 0.25 | 2.41 | 2.64 | 2.27 | 2.83 |
| (G) Other Adjustments | - | - | - | - | - |
| (H) Net Tax Expense (C+F+G) | 40.00 | 101.92 | 31.48 | 22.01 | 16.81 |
| (I) Deferred Tax Adjustment | - 0.25 - | 2.41 - | 2.64 - | 2.27 - | 2.83 |
| (J) Tax for Earlier Years | - | - | - | - | - |
| (K) Total Tax Expenses (H+I+J) | 39.75 | 99.52 | 28.83 | 19.74 | 19.64 |

37 Capitalisation Statement

| | |
|--------------------------------------|------------------|
| | Pre Issue |
| Debt | |
| A.Long Term Debt | 400.88 |
| B.Short Term Debt | 2,460.17 |
| Total Debt | 2,861.04 |
| Equity Shareholders Fund | |
| Equity Share Capital | 1,290.00 |
| Reserves and Surplus | 611.97 |
| Total Equity | 1,901.97 |
| Total Capital | 4,763.02 |
| Long term Debt / Equity Ratio | 0.21 |
| Total Debt / Equity Ratio | 1.50 |

| | 29th | 11th | 31 March | 31 March 2022 | 31 March 2021 |
|---|----------------------|---------------------|-----------------|----------------------|----------------------|
| | February,2024 | January,2024 | 2023 | | |
| 38 Statement of Reconciliation of Profit | | | | | |
| Net Profit as per Audited Financial Statements | 116.97 | 404.94 | 125.05 | 87.43 | 66.79 |
| Add : Depreciation as per Income Tax Act | - | 19.41 | 26.51 | 17.55 | 16.29 |
| Less : Depreciation as per Companies Act | - | 28.98 | 37.01 | 26.55 | 27.53 |
| Add/Less : Deferred Tax Impact | - | 2.41 | 2.64 | 2.27 | 2.83 |
| Profit as per Restated financial Statements | 116.97 | 397.78 | 117.19 | 80.70 | 58.38 |

38 Statement of material adjustment to the restated financial statement**Material Regrouping**

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

39 Contingencies and Events occurring after the Balance Sheet Date

There were no events which occurred after the Balance Sheet date upto the date of approval of financial statements which required any adjustments/disclosure in the financial statements as per AS-4.

40 Foreign currency transactions

The company has not made any foreign currency during the period under consideration

41 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

42 Additional Disclosures With Respect To Amendments To Schedule III as Restated

(I) The Company has no immovable property whose title deeds are not held in the name of the company

(II) The Company has not revalued its Property, Plant and Equipment during the reporting years

(III) The Company is not declared as wilful defaulter by any bank or financial institution or other lender.

(IV) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013

(V) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(VI) Utilisation of Borrowed funds and share premium:

a. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or;

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

b. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(VII) No proceedings have been initiated on or are pending against the company for holding any benami property under Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under for the period under consideration.

(VIII) Due to transition period from partnership to private limited, financial institutions including NBFCs are in the course of creating charge and filing the same with ROCs. Hence there are no any charges or satisfaction yet to be registered with ROC beyond the statutory period

(IX) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the the statutory period under consideration in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(X)The Company has not traded or invested in Crypto currency or Virtual Currency during the period under under consideration.The company has not received any deposits or advances during the period under consideration for the purpose of trading or investment in crypto currency or virtual currency.

For Agarwal Khetan & Co.
Chartered Accountants
Firm's Registration No. with ICAI:330054E

For and on behalf of the Board
FORCAS STUDIO LIMITED (formerly known as Forcas Studio Pvt. Ltd.)

(Ritesh Agarwal)
Partner
Membership No.: 311866

Date: 06-04-2024
Place : Kolkata
UDIN : 24311866BKEXTS9319

| | | |
|--------------------------|--------------------------------|-------------------------------|
| Sailesh Agarwal | Sourav Agarwal | Sangita Kumari Agarwal |
| Managing Director | Whole Time Director CFO | Company Secretary |
| DIN: 02856973 | DIN: 0642775 | |

OTHER FINANCIAL INFORMATION

Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

| Particulars | (₹ in lakhs) | | | | |
|---|---------------------|-------------------|---------------|---------------|---------------|
| | 29th February, 2024 | 11th January 2024 | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Net Worth (A) | 1,901.97 | 1,072.78 | 860.26 | 830.84 | 711.94 |
| EBITDA | 215.70 | 711.89 | 450.15 | 354.57 | 341.84 |
| Restated PAT as per Profit and Loss Account (Rs. In lakhs) | 116.97 | 397.78 | 117.19 | 80.71 | 58.38 |
| Less: Prior Period Item | - | - | - | - | - |
| Adjusted Profit After Tax (PAT) [B] | 116.97 | 397.78 | 117.19 | 80.71 | 58.38 |
| Actual Number of outstanding equity shares at the end of the period (C) | 1,29,00,000 | 1,07,27,756 | 86,02,598 | 83,08,431 | 71,19,356 |
| Weighted average no of equity shares at the time of end of the year (D) (Pre Bonus/Right issue) | 69,16,422 | 1,07,27,756 | 86,02,598 | 83,08,431 | 71,19,356 |
| Weighted Number of outstanding equity shares at the end of the period (E) (Post Bonus issue) | 69,16,422 | 1,07,27,756 | 86,02,598 | 83,08,431 | 71,19,356 |
| Current Assets (F) | 4,850.45 | 5,477.32 | 3,289.99 | 3,860.97 | 4,417.61 |
| Current Liabilities (G) | 3,292.51 | 4,913.09 | 2,557.38 | 2,805.49 | 3,273.35 |
| Face value per share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Number of shares | 1,29,00,000 | 1,07,27,756 | 86,02,598 | 83,08,431 | 71,19,356 |
| Net Assets Value per share (A/C) | 14.74 | 10.00 | 10.00 | 10.00 | 10.00 |
| Earnings per share | | | | | |
| Restated basic and diluted earning per share (Pre Bonus/Right issue INR) (B/D) | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |
| Restated basic and diluted earning per share (Post Bonus INR) (B/E) | 1.98 | 3.71 | 1.36 | 0.97 | 0.82 |
| Basic and Diluted EPS (Rs.) (C/A)(Based on shares at the end of year) | 0.91 | 3.71 | 1.36 | 0.97 | 0.82 |
| Return on Net Worth (%) (B/A) | 6.15% | 37.08% | 13.62% | 9.71% | 8.20% |
| Current Ratio (F/G) | 1.47 | 1.11 | 1.29 | 1.38 | 1.35 |

Note:

1) The ratios have been computed as below:

(a) Basis Earning 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 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) Current Ratio -: Current Assets at the end of the period or year / Current Liabilities at the end of the period or year.

3) The figures disclosed above are based on the restated summary statements of the Group.

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.

Other financial statements

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the period ended February 29, 2024 and for the Fiscals 2023, 2022 and 2021 (“**Audited Financial Statements**”), respectively, are available on our website at www.focasstudio.in. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements of our Company and the reports thereon do not constitute, (i) a part of the Red Herring Prospectus; or (ii) this Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for meeting our working capital requirement. Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities, including change in our capital structure and change in our Articles of Association and Memorandum of Association. For details in relation to the borrowing powers of the Company, please see the section entitled “*Our Management – Borrowing Powers*” on page 141. The details of aggregate indebtedness of our Company are provided below:

SECURED BORROWINGS

As on March 31, 2024, we have availed secured loans of which the total outstanding amount secured loan is ₹ 3,138.46 lakhs as of date, the details of which are as under:

(₹ in lakhs)

| Name of Lender | Nature of Loan | Rate of Interest (per annum) | Repayment Terms | Sanction Date | Amount Sanctioned (Rs.in Lacs) | Amount Outstanding (Rs.in Lacs) | Security Details |
|-------------------|-----------------|------------------------------|-----------------|------------------|--------------------------------|---------------------------------|---|
| HSBC Bank Limited | Cash Credit | 9.50% | 12 Months | January 25, 2024 | 2,000.00 | 1,986.32 | <ul style="list-style-type: none"> • First Pari Passu charge on the current assets of the Firm, both present and future along with multiple banker ICICI Bank. • Hypothecation of Stock 25% margin Hypothecation of Receivables not more than 120 Days with 25% margin. • First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010 with multiple banker ICICI Bank • First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074 with multiple banker ICICI Bank • Lien on Fixed Deposits with multiple banker ICICI Bank • Personal Guarantee from Sailesh Agarwal, Sourav Agarwal, and Sushila Agarwal for Rs. 2,000.00 lakhs each |
| | ECLGS - Working | 9.50% | 48 Months | | 198.90 | 22.10 | <ul style="list-style-type: none"> • Second charge on the |

| Name of Lender | Nature of Loan | Rate of Interest (per annum) | Repayment Terms | Sanction Date | Amount Sanctioned (Rs.in Lacs) | Amount Outstanding (Rs.in Lacs) | Security Details |
|--------------------|--------------------------------------|------------------------------|-----------------|---------------|--------------------------------|---------------------------------|---|
| | Capital Demand Loan | | | | | | existing collateral securities given in the Cash Credit Facility. The GECL facility is also backed by 100% guarantee provided by National Credit Guarantee Trustee Company Ltd (NCGTC) which shall be co terminus with the tenor of the facility |
| | ECLGS 1- Working Capital Demand Loan | 9.50% | 60 Months | | 99.00 | 99.00 | |
| ICICI Bank Limited | Cash Credit | 9.40% | 12 Months | March 6, 2024 | 800.00 | 789.65 | <ul style="list-style-type: none"> • First Pari Passu charge on the current assets of the Firm, both present and future including stocks and book debts • First Pari Passu charge by way of Equitable Mortgage of residential property located in at Flat No 3NC, 3rd Floor, Radha Madhab Dutt's Garden Lane, Kolkata – 700010. • First Pari Passu charge by way of Equitable Mortgage of residential property located in Emami City, Jessore Road, Kolkata – 700074. • Lien on Fixed Deposits for INR 265.00 Lakhs • Personal Guarantee from Sailesh Agarwal, Sourav Agarwal, Sanwarmal Agarwal and Sushila Agarwal |
| | Derivative | 9.40% | 12 Months | | 65.00 | 0.00 | |
| | ECLGS - Working Capital Demand Loan | 9.40% | 48 Months | | 98.00 | 19.06 | |

| Name of Lender | Nature of Loan | Rate of Interest (per annum) | Repayment Terms | Sanction Date | Amount Sanctioned (Rs.in Lacs) | Amount Outstanding (Rs.in Lacs) | Security Details |
|----------------|---------------------------------------|------------------------------|-----------------|---------------|--------------------------------|---------------------------------|---|
| | | | | | | | effect by way of continuing security to secure the Facility herein. The Borrower(s) and the security provider(s) undertakes to sign and execute all documents, deeds, writings, in the form and manner, as may be stipulated by the ICICI Bank for creation and perfection of the security. |
| | ECLGS 1 - Working Capital Demand Loan | 9.40% | 60 Months | | 52.00 | 52.00 | <p>Second charge with HSBC Bank by way of hypothecation on the firm's entire stocks(raw materials, semi-finished and finished goods), consumable stores and spares and such other moveable including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.</p> <p>Second charge with HSBC Bank on Immovable Fixed Assets located at Emami City Flat No. A3-202 (South-Westside) on the 2nd floor in Tower No. A3, P.S. - DumDum, Under South DumDum Municipality, 24 Pg, 700028, Kolkata, West Bengal, India - Owned by Sailesh Agarwal</p> <p>Second charge with HSBC Bank on Immovable Fixed Assets located at NEERMANI, The residential flat 3NC on the 3rd floor South West Side, -, P.O. and P.S. - Beliaghata, Ward No. 33, Under KMC, P.O. and P.S. - Beliaghata, 700010, KOLKATA, West Bengal, India. Owned by Sushila Agarwal & Sanwar Mal Agarwal</p> <p>Second charge on FD – 1 of INR 130 lakhs</p> <p>Second charge on FD – 2 of INR 127.0 lakhs</p> |

| Name of Lender | Nature of Loan | Rate of Interest (per annum) | Repayment Terms | Sanction Date | Amount Sanctioned (Rs.in Lacs) | Amount Outstanding (Rs.in Lacs) | Security Details |
|-------------------------------------|-----------------------------|------------------------------|-----------------|------------------|--------------------------------|---------------------------------|---|
| Equentia SCF Technologies Pvt. Ltd. | Working Capital Demand Loan | 15.50 % | On demand | February 7, 2024 | 200.00 | 170.33 | <ul style="list-style-type: none"> • Second exclusive charge by way of Hypothecation of all receivables, book debts and Current Assets of the borrower, both present and future. All receivables of the borrower from the end clients shall be deposited in the designated account, subject to a minimum of 1.5x of the facility which may be monitored by the lender at its sole discretion • Lien on 15% FD • Personal Guarantee of Sailesh Agarwal and Saurav Agarwal |
| Total Loans | | | | | | 3,138.46 | |

UNSECURED BORROWINGS

As on March 31, 2024, the outstanding unsecured loans of our Company amount to ₹25.37 lakhs as of date, the details of which are as under:

| Sr. No. | Nature of Facilities | Tenure | Rate of interest | Sanctioned Amount (₹ In lakhs) | Amount outstanding (₹ In lakhs) |
|---------|--------------------------|---------------------|------------------|--------------------------------|---------------------------------|
| 1 | Hemsagar Dealers Pvt Ltd | Repayable on demand | 12.00% | 25.37 | 25.37 |
| | Total | | | 25.37 | 25.37 |

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the eleven months period ended February 29, 2024 and for the financial years ended March 31, 2023, 2022 and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Statement" on page 159 of this Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 25 of this Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 19 of this Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Forcas Studio Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for ended February 29, 2024 and the financial years ended March 31, 2023, 2022 and 2021 included in this Prospectus beginning on page 159 of this Prospectus

BUSINESS OVERVIEW

Our company was initially established in the year 2010 as a partnership firm under the name 'Forcas Apparels' founded by Sailesh Agarwal and later expanded its operations and converted to *Forcas Studio Private Limited* in the year 2024 and later in the same year 2024, it was converted to a public limited Company by the name *Forcas Studio Limited*. Our Company is well known by the brand name 'FTX', 'TRIBE' and 'Conteno' which personifies style, attitude, value for money and comfort in the mass Men's clothing industry.

Our Company is into Menswear and deals in men's garments such as *Shirts, Denims, T-shirts, trousers, Cotton pants, sports-wear, party-wear, fashion wear, boxers etc.* and cater pan India through online and wholesale in our own brand and also white-labelling for other brands such as *Landmark Group, V-Mart Retail, V2 Retail, Highlander, Cobb, Kontail* and many more. Our Company is in the business of manufacturing and selling of menswear garments through online e-commerce platforms and wholesale under the name of 'FTX', 'Tribe' and 'Conteno'. Our Company sales products under its own brand through the most popular retail online e-commerce platforms namely, *flipkart, Myntra, Meesho, Amazon, Ajo, Jio Mart, Glowroad, Limeroad, Solvd and Shopsy*. The wholesale business comprises of sale to wholesalers who purchase in bulk for onward sales to garment retailers in different states of the country. Further, our brand also are sold through large format stores including *V-Mart Retail, V2 Retail, City Kart, Metro Bazar, Kothari Retail and Sarvana Retails*.

We transitioned to online business in 2021 to better serve our Pan India clientele. In the two years since we went digital with our menswear product line, we have served about 15,000 plus pin codes in India giving us benefit of selling to the end consumer directly and understanding their buying pattern. Our products are available on India's top marketplaces, and we will be adding few more marketplaces in the current fiscal year. We have received positive response from our customers for our products which is reflected customers' rating on the marketplaces. In addition to being present on the top online marketplaces, we are also present in over 500 plus large format stores, which helps us to be visibly present in offline spaces. With more than 1200 SKUs, our product catalogue is broad and varied.

We offer a broad range of products creating signature designs within the Indian menswear segment, including *Shirts, Denims, T-shirts, trousers, Cotton pants, sports-wear, party-wear, fashion wear, boxers etc.* Our products cater to youth of urban Bharat and we trust that this further enhances our brand loyalty.

Digitalisation has made the world a smaller place and world fashion is on display like never before to the Indian masses. With our brand, we are trying to bring this aspirational fashion to the mass youth of Bharat in the fastest, most convenient and affordable manner. We offer stylish and quality menswear at affordable prices for the masses of Bharat where we see a significant opportunity for a value for money fast fashion brand. Our mission is to become the #1 Menswear company for masses of Bharat. We are currently targeting Tier-2, Tier-3 and Tier-4 cities dedicated to providing value to customers with fashionable and comfortable product ranges. We are committed to superior customer service, innovation in fashion and product quality with 95% of the products priced below ₹499/-. By having our products priced at such affordable prices

we are helping the fashion hungry Indian mass customer from tier-2, tier-3, tier-4 to enjoy the latest fashion within their budget and to create an aspirational garment brand.

For detailed information on the business of our Company please refer to “*Our Business*” beginning on page numbers 106 of this Prospectus.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIALS

After the date of last Audited accounts i.e. February 29, 2024, the Directors of our Company confirm that, there have not been any significant material developments.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 25 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- If we are unable to anticipate and respond to changes in fashion trends and changing customer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and prospects.
- We derive a significant portion of our revenues from sales to third party brand owners, wholesalers and through online retailers. Any failure to maintain relationships with such third parties could adversely affect our business, results of operations and financial condition.
- We are dependent on our contract manufacturers to procure our products and do not have any manufacturing facilities of our own. Our business is therefore dependent to a large extent on expected performance and operation of our contract manufacturer partners.
- If any new products or brands that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.
- If we are unable to procure raw materials, finished products and packing material of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected.

DISCUSSION ON RESULT OF OPERATION

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “*Restated Financial Statements*” beginning on page 159 of this Prospectus.

Overview of Revenue & Expenditure

Our revenue and expenses are reported in the following manner:

Revenues

◆ Revenue of operations

Our Company’s revenue is primarily generated from sale of apparels i.e. menswear.

◆ Other Income

Our other income mainly consists of interest income, discount received and other income.

The below table show our revenue for the period ended February 29, 2024 and for the fiscal 2023, 2022 and 2021:

(₹ In Lakhs)

| Particulars | For the period ended | | | |
|-------------|----------------------|----------------|----------------|----------------|
| | February 29, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Income | | | | |

| | | | | |
|-------------------------|-----------------|-----------------|-----------------|-----------------|
| Revenue from Operations | 9,607.24 | 6,960.46 | 5,320.02 | 5,051.04 |
| % of total revenue | 99.57% | 97.18% | 98.88% | 98.79% |
| Other income | 41.53 | 201.96 | 60.42 | 62.10 |
| % of total revenue | 0.43% | 2.82% | 1.12% | 1.21% |
| Total Revenue | 9,648.77 | 7,162.42 | 5,380.44 | 5,113.14 |

Expenditure

Our total expenditure primarily consists of cost of materials consumed, other direct expenses, changes in inventories of finish goods & work-in-progress, employee benefits expenses, finance cost, depreciation and amortisation and other expenses.

◆ Cost of materials consumed

This represents purchase of fabrics.

◆ Other Direct Expenses

This represents job work charges paid to contract manufacturers.

◆ Changes in Inventories of finish goods & work-in-progress

This relates to the cost of purchase of finish goods and work-in-progress.

◆ Employment Benefit Expenses

It includes salaries, wages, bonus and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

◆ Other Expenses

It includes Auditor's Remuneration, Computer Maintenance, Consultancy Charges, Conveyance Expenses, Courier Charges, Discounts & Shortage, Electricity Charges, Freight Charges, General Expenses, Inspection / Q.C. Charges, Internet Charges, Insurance, GST Late Fine, Late Fees, Label Change, Logistic Charges, Misc Expenses, Motor Car Expenses, Office Expenses, Office Maintenance, Online B-C Expenses, Photoshoot, Postage & Courier Charges, Printing & Stationery, Printing Cylinder, Profession Tax - Expenses, Profession Fees, Rent, Repair & Maintenance, ROC Fees, Rounding Off, Sales Commission, Sales Promotion Expenses, Sampling Expenses, Security Guard Charges, Service Charges on Generator, Short & Excess Payment W/off, Software Maintenance, Sundry Balances W/off, TDS Filing Charges, Technical Service Charges, Telephone Expenses, Tea & Tiffin, Trade Licence, Trade Mark Charges, Transportation Charge Paid, Travelling Expenses, Interest on GST, Interest on Professional Tax, Interest Paid on TDS, Interest Paid on TCS and Bank Charges,.

◆ Finance Costs

Our finance costs mainly include processing charges and interest.

◆ Depreciation

Depreciation includes depreciation and amortization.

RESULTS OF OUR OPERATION

(₹ In Lakhs)

| Particulars | 29-Feb-24 | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
|-------------------------|-----------|-----------|-----------|-----------|
| Incomes: | | | | |
| Revenue from Operations | 9,607.24 | 6,960.46 | 5,320.02 | 5,051.04 |
| % of total revenue | 99.57% | 97.18% | 98.88% | 98.79% |
| % Increase/(Decrease) | - | 30.84% | 5.33% | - |
| Other income | 41.53 | 201.96 | 60.42 | 62.10 |

| Particulars | 29-Feb-24 | 31-Mar-23 | 31-Mar-22 | 31-Mar-21 |
|--|-----------------|-----------------|-----------------|-----------------|
| % of total revenue | 0.43% | 2.82% | 1.12% | 1.21% |
| % Increase/(Decrease) | - | 234.26% | (2.70%) | - |
| Total Revenue | 9,648.77 | 7,162.42 | 5,380.44 | 5,113.14 |
| % Increase/(Decrease) | 34.71% | 33.12% | 5.23% | - |
| Expenses: | | | | |
| Cost of materials consumed | 6,003.13 | 3,816.52 | 4,542.41 | 3,311.73 |
| % of total revenue | 62.22% | 53.29% | 84.42% | 64.77% |
| % Increase/(Decrease) | - | (15.98%) | 37.16% | - |
| Other Direct Expenses | 1,096.71 | 1,011.77 | 795.04 | 647.88 |
| % of total revenue | 11.37% | 14.13% | 14.78% | 12.67% |
| % Increase/(Decrease) | - | 27.26% | 22.71% | - |
| Changes in Inventories of FG & WIP | (68.15) | 424.48 | (780.96) | 397.28 |
| % of total revenue | (0.71%) | 5.93% | (14.51%) | 7.77% |
| % Increase/(Decrease) | - | (154.35%) | (296.58%) | - |
| Employee Benefit expenses | 151.38 | 147.12 | 142.73 | 125.86 |
| % of total revenue | 1.57% | 2.05% | 2.65% | 2.46% |
| % Increase/(Decrease) | - | 3.08% | 13.40% | - |
| Other Expenses | 1,538.10 | 1,312.38 | 326.66 | 288.55 |
| % of total revenue | 15.94% | 18.32% | 6.07% | 5.64% |
| % Increase/(Decrease) | - | 301.76% | 13.21% | - |
| Total Expense | 8,721.18 | 6,712.27 | 5,025.86 | 4,771.30 |
| % of total revenue | 90.39% | 93.72% | 93.41% | 93.31% |
| % Increase/(Decrease) | - | 33.55% | 5.34% | - |
| Profit before Interest, Depreciation and Tax* | 927.59 | 450.15 | 354.57 | 341.84 |
| % of total revenue | 9.61% | 6.28% | 6.59% | 6.69% |
| Depreciation and amortization Expenses | 32.85 | 37.01 | 26.55 | 27.53 |
| % of total revenue | 0.34% | 0.52% | 0.49% | 0.54% |
| % Increase/(Decrease) | - | 39.38% | (3.54%) | - |
| Profit before Interest and Tax | 894.74 | 413.14 | 328.02 | 314.32 |
| % of total revenue | 9.27% | 5.77% | 6.10% | 6.15% |
| Financial Charges | 341.42 | 298.59 | 249.58 | 258.77 |
| % of total revenue | 3.54% | 4.17% | 4.64% | 5.06% |
| % Increase/(Decrease) | - | 19.64% | (3.55%) | - |
| Profit before Tax and Extraordinary Expenses | 553.32 | 114.55 | 78.44 | 55.55 |
| % of total revenue | 5.73% | 1.60% | 1.46% | 1.09% |
| Extraordinary Expenses | - | - | - | - |
| % of total revenue | - | - | - | - |
| % Increase/(Decrease) | - | - | - | - |
| Restated Profit/(Loss) before tax | 553.32 | 114.55 | 78.44 | 55.55 |
| % of total revenue | 5.73% | 1.60% | 1.46% | 1.09% |
| % Increase/(Decrease) | - | 46.04% | 41.21% | - |
| Tax expenses/(income) | | | | |
| Current and prior years Tax (net) | 41.21 | - | - | - |
| Deferred Tax | (2.65) | 2.64 | 2.27 | 2.83 |
| Total tax expenses | 38.56 | 2.64 | 2.27 | 2.83 |
| % of total revenue | 0.40% | 0.04% | 0.04% | 0.06% |
| Restated profit/(loss) after Tax | 514.75 | 111.91 | 76.17 | 52.72 |
| % of total revenue | 5.33% | 1.56% | 1.42% | 1.03% |
| % Increase/(Decrease) | - | 46.91% | 44.49% | - |

* includes other income

Our income is dependent upon few major intermediaries, details of the same is as following:

(₹ in lacs)

| Particulars | Feb 29, 2024 | | Fiscal 2023 | | Fiscal 2022 | | Fiscal 2021 | |
|------------------------|--------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|
| | Amount | Percentage (%) | Amount | Percentage (%) | Amount | Percentage (%) | Amount | Percentage (%) |
| Top 5 customers | 3,957.16 | 59.89% | 1,749.53 | 56.14% | 3,323.14 | 75.17% | 2,896.35 | 72.62% |
| Online Sales | 3,691.79 | 38.43% | 2,491.65 | 35.80% | 248.74 | 4.68% | 5.72 | 0.11% |

REVIEW OF OPERATIONS FOR THE PERIOD ENDED FEBRUARY 29, 2024 WHICH INCLUDES FINANCIALS OF PARTNERSHIP FIRM

Income from Operations

Our revenue from operations for the period ended February 29, 2024 was ₹9,607.24 Lakhs which was about 99.57% of the total revenue and which comprises of revenue generated from sale of menswear.

Other Income

Our other income for the period ended February 29, 2024 was ₹ 41.53 Lakhs which was about 0.43% of the total revenue and which includes interest income, discount received and other income.

Expenditure

Cost of materials consumed

The cost of materials consumed for the period ended February 29, 2024 were ₹ 6,003.13 Lakhs which was about 62.22% of the total revenue.

Other Direct Expenses

The amount of other direct expenses for the period ended February 29, 2024 were ₹ 1,096.71 Lakhs which was about 11.37% of the total revenue.

Changes in Inventories of finish goods & work-in-progress

The changes in inventories of finish goods & work-in-progress for the period ended February 29, 2024 were ₹ (68.15) Lakhs which was about (0.71)% of the total revenue.

Employee Benefits expenses

The employee benefits expenses for the period ended February 29, 2024 were ₹151.38 Lakhs which was about 1.57% of the total revenue and which includes salaries, wages, bonus and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

Other Expenses

Other Expenses for the period ended February 29, 2024 were ₹1,538.10 Lakhs which was about 15.94% of the total revenue and which includes Auditor's Remuneration, Computer Maintenance, Consultancy Charges, Conveyance Expenses, Courier Charges, Discounts & Shortage, Electricity Charges, General Expenses, Inspection / Q.C. Charges, Internet Charges, Insurance, Logistic Charges, Misc Expenses, Motor Car Expenses, Office Expenses, Office Maintenance, Online B-C Expenses, Photoshoot, Postage & Courier Charges, Printing & Stationery, Profession Tax - Expenses, Profession Fees, Rent, Repair & Maintenance, ROC Fees, Sales Commission, Sales Promotion Expenses, Sampling Expenses, Security Guard Charges, Software Maintenance, Telephone Expenses, Tea & Tiffin, Trade Licence, Transportation Charge Paid, Travelling Expenses, and Bank Charges.

EBIDTA

Our EBITDA for the period ended February 29, 2024 were ₹ 927.59 Lakhs.

Financial Costs

Financial costs for the period ended February 29, 2024 were ₹ 341.42 Lakhs which was about 3.54% of the total revenue and which consists of interest and other finance charges.

Depreciation

Depreciation for the period ended February 29, 2024 were ₹ 32.85 Lakhs which was about 0.34% of the total revenue and which consists of depreciation and amortization expenses.

Profit /(Loss) after Tax

PAT for the period ended February 29, 2024 was ₹ 514.75 Lakhs.

REVIEW OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 2023

Income from Operations

Our revenue from operations for the fiscal year ended March 31, 2023 was ₹ 6,960.46 Lakhs which was about 97.18% of the total revenue and which comprises of revenue from sale of menswear.

Other Income

Our other income for the fiscal year ended March 31, 2023 was ₹ 201.96 Lakhs which was about 2.82% of the total revenue and which includes discount received, interest income and other miscellaneous income.

Expenditure

Cost of materials consumed

The Cost of materials consumed for the period ended March 31, 2023 were ₹ 3,816.52 Lakhs which was about 53.29% of the total revenue.

Other Direct Expenses

The amount of other direct expenses for the period ended March 31, 2023 were ₹ 1,011.77 Lakhs which was about 14.13% of the total revenue.

Changes in Inventories of finish goods & work-in-progress

The changes in inventories of finish goods & work-in-progress for the period ended March 31, 2023 were ₹ 424.48 Lakhs which was about 5.93% of the total revenue.

Employee Benefits expenses

The employee benefits expenses for the fiscal year ended March 31, 2023 were ₹ 147.12 Lakhs which was about 2.05% of the total revenue and which includes salaries, wages, bonus and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

Other Expenses

Other Expenses for the fiscal year ended March 31, 2023 were ₹ 1,312.38 Lakhs which was about 18.32% of the total revenue and which includes Auditor's Remuneration, Computer Maintenance, Consultancy Charges, Conveyance Expenses, Courier Charges, Discounts & Shortage, Electricity Charges, Freight Charges, General Expenses, Inspection / Q.C. Charges, Internet Charges, Insurance, GST Late Fine, Late Fees, Logistic Charges, Misc Expenses, Motor Car Expenses, Office Expenses, Office Maintenance, Online B-C Expenses, Photoshoot, Postage & Courier Charges, Printing & Stationery, Printing Cylinder, Profession Tax - Expenses, Profession Fees, Rent, Repair & Maintenance, Sales Commission, Sales Promotion Expenses, Sampling Expenses, Security Guard Charges, Short & Excess Payment W/off, Software Maintenance, TDS Filing Charges, Telephone Expenses, Tea & Tiffin, Trade Licence, Trade Mark Charges, Transportation Charge Paid, Travelling Expenses, Interest on GST, Interest on Professional Tax, Interest Paid on TDS, Interest Paid on TCS and Bank Charges.

EBITDA

Our EBITDA for the fiscal year ended March 31, 2023 were ₹ 450.15 Lakhs.

Financial Costs

Financial costs for the period ended March 31, 2023 were ₹ 298.59 Lakhs which was about 4.17% of the total revenue and which consists of interest and other finance charges.

Depreciation

Depreciation for the fiscal year ended March 31, 2023 were ₹ 37.01 Lakhs which was about 0.52% of the total revenue and which consists of depreciation and amortization expenses.

Profit /(Loss) after Tax

PAT for the fiscal year ended March 31, 2023 was ₹111.91 Lakhs.

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022

Income

Total revenue has increased by ₹1,640.44 Lakhs and 30.84%, from ₹5,320.02 Lakhs in the fiscal year ended March 31, 2022 to ₹ 6,960.46 Lakhs in the fiscal year ended March 31, 2023. The increase in revenue was on account of increase in sale volume of product i.e. menswear, and higher price realisation on sale through online marketplaces.

Expenditure

Total Expenditure increased by ₹ 1,745.87 Lakhs and 32.93%, from ₹5,302.00 Lakhs in the fiscal year ended March 31, 2022 to ₹ 7,047.87 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure was increased mainly due to increase in volume of operation and sale of products i.e. menswear.

Cost of materials consumed

Cost of materials consumed decreased by ₹(725.89) Lakhs and 15.98%, from ₹ 4,542.41 Lakhs in the fiscal year ended March 31, 2022 to ₹ 3,816.52 Lakhs in the fiscal year ended March 31, 2023. Cost of materials consumed is decreased mainly due to higher procurement of finish goods from manufacturers.

Other Direct Expenses

Other Direct Expenses increased by ₹216.74 Lakhs, and 27.26% from ₹ 795.04 Lakhs in the fiscal year ended March 31, 2022 to ₹ 1,011.77 Lakhs the fiscal year ended March 31, 2023. Other Direct Expenses was increased mainly due to increase in volume of our operation and higher production and procurement through job work arrangement.

Changes in Inventories of finish goods & work-in-progress

Changes in inventories of finish goods & work-in-progress increased by ₹ 1,205.44 Lakhs, and 154.35% from ₹(780.96) Lakhs in the fiscal year ended March 31, 2022 to ₹424.48 Lakhs the fiscal year ended March 31, 2023. Changes in Inventories of finish goods & work-in-progress was increased mainly due to increase in volume of our operation and higher production and procurement through job work arrangement.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by ₹ 4.39 Lakhs and 3.08% from ₹142.73 Lakhs in the fiscal year ended March 31, 2022 to ₹ 147.12 Lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased due to increase in staff strength and general increment in salary and incentives to employees.

Other Expenses

Other Expenses in terms of value and percentage increased by ₹ 985.72 Lakhs and 301.76% from ₹ 326.66 Lakhs in the

fiscal year ended March 31, 2022 to ₹ 1,312.38 Lakhs in the fiscal year ended March 31, 2023. The increase was mainly on account of Online B2C expenses and also due to increase in Discounts & Shortage, Rent, Sales Commission, Sales Promotion Expenses, Sampling Expenses, Security Guard Charges, Transportation Charge Paid, Travelling Expenses, Interest on GST, Interest on Professional Tax, Interest Paid on TDS, Interest Paid on TCS and Bank Charges.

EBIDTA

Profit before Interest, Depreciation and Tax has increased by ₹ 95.58 Lakhs and 26.96% from ₹ 354.57 Lakhs in the fiscal year ended March 31, 2022 to ₹ 450.15 Lakhs in the fiscal year ended March 31, 2023. Profit before Interest, Depreciation and Tax was increased due to increase volume of our business operations and higher volume of sales.

Finance Costs

Finance Costs in terms of value and percentage increased by ₹ 49.01 Lakhs and 19.64% from ₹ 249.58 Lakhs in the fiscal year ended March 31, 2022 to ₹ 298.59 Lakhs in the fiscal year ended March 31, 2023. Finance Costs was increased mainly due to higher interest outgo and increased borrowings.

Depreciation & Amortization Expenses

Depreciation in terms of value increased by ₹ 10.46 Lakhs and 39.38% from ₹ 26.55 Lakhs in the fiscal year ended March 31, 2022 to ₹ 37.01 Lakhs in the fiscal year ended March 31, 2023. Increase in depreciation is due to increase in assets and is general in nature.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹ 35.73 Lakhs and 46.91% from ₹ 76.17 Lakhs in the fiscal year ended March 31, 2022 to ₹ 111.91 Lakhs in the fiscal year ended March 31, 2023. Net profit was increased due to increase in revenue from operations and volume of our business through online marketplace.

FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021

Income

Total revenue has increased by ₹ 268.97 Lakhs and 5.33%, from ₹ 5,051.04 Lakhs in the fiscal year ended March 31, 2021 to ₹ 5,320.02 Lakhs in the fiscal year ended March 31, 2022. The increase in our sale volume.

Expenditure

Total Expenditure increased by ₹ 244.41 Lakhs and 4.83%, from ₹ 5,057.59 Lakhs in the fiscal year ended March 31, 2021 to ₹ 5,302.00 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure was increase mainly due to increase in volume of our operations i.e. sale of menswear and higher consumption of raw material in production through job work.

Cost of materials consumed

Cost of materials consumed increased by ₹ 1,230.68 Lakhs and 37.16%, from ₹ 3,311.73 Lakhs in the fiscal year ended March 31, 2021 to ₹ 4,542.41 Lakhs in the fiscal year ended March 31, 2022. Cost of materials consumed was increased mainly due to increase in consumption of raw material and higher production of products through job work.

Other Direct Expenses

Other Direct Expenses increased by ₹ 147.16 Lakhs and 22.71%, from ₹ 647.88 Lakhs in the fiscal year ended March 31, 2021 to ₹ 795.04 Lakhs in the fiscal year ended March 31, 2022. Other Direct Expenses increased mainly due to increase in production of our products through job work.

Changes in Inventories of finish goods & work-in-progress

Changes in Inventories of finish goods & work-in-progress decreased by ₹ 1,178.24 Lakhs and 296.58%, from ₹ 397.28 Lakhs in the fiscal year ended March 31, 2021 to ₹ (780.96) Lakhs in the fiscal year ended March 31, 2022. Changes in inventories of finish goods & work-in-progress decreased mainly due to higher closing stock of finish products at the end of the year.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increase by ₹ 16.87 Lakhs and 13.40% from ₹125.86 Lakhs in the fiscal year ended March 31, 2021 to ₹142.73 Lakhs in the fiscal year ended March 31, 2022. Overall employee cost was increased due to increase in staff strength and general increment in salary and incentives to employees.

Other Expenses

Other Expenses in terms of value and percentage increase by ₹ 38.11 Lakhs and 13.21% from ₹288.55 Lakhs in the fiscal year ended March 31, 2021 to ₹326.66 Lakhs in the fiscal year ended March 31, 2022. Other Expenses was increased mainly due to increase Auditor's Remuneration, Computer Maintenance, Conveyance Expenses, Courier Charges, Discounts & Shortage, Electricity Charges, General Expenses, Inspection / Q.C. Charges, Internet Charges, Insurance, GST Late Fine, Late Fees, Logistic Charges, Misc Expenses, Motor Car Expenses, Office Expenses, Office Maintenance, Online B-C Expenses, Postage & Courier Charges, Printing & Stationery, Profession Tax - Expenses, Profession Fees, Rent, Repair & Maintenance, Rounding Off, Sales Commission, Sales Promotion Expenses, Sampling Expenses, Software Maintenance, TDS Filing Charges, Technical Service Charges, Telephone Expenses, Trade Licence, Trade Mark Charges, Transportation Charge Paid, Travelling Expenses, Interest on GST, Interest on Professional Tax, Interest Paid on TDS, Interest Paid on TCS and Bank Charges.

EBIDTA

Profit before Interest, Depreciation and Tax has increased by ₹ 12.73 Lakhs and 3.72% from ₹ 341.84 Lakhs in the fiscal year ended March 31, 2021 to ₹ 354.57 Lakhs in the fiscal year ended March 31, 2022. Profit Before Interest, Depreciation and Tax was increased due to increase in consumption of raw material for production through job work.

Finance Costs

Finance Costs in terms of value and percentage decreased by ₹9.19 Lakhs and 3.55% from ₹ 258.77 Lakhs in the fiscal year ended March 31, 2021 to ₹ 249.58 Lakhs in the fiscal year ended March 31, 2022. Finance Costs was decreased mainly due to lower interest outgo.

Depreciation & Amortization Expenses

Depreciation in terms of value decreased by ₹ 0.97 Lakhs and 3.54% from ₹ 27.53 Lakhs in the fiscal year ended March 31, 2021 to ₹ 26.55 Lakhs in the fiscal year ended March 31, 2022. Decrease in depreciation is general in nature.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹ 23.45 Lakhs and 44.49% from ₹ 52.72 Lakhs in the fiscal year ended March 31, 2021 to ₹ 76.17 Lakhs in the fiscal year ended March 31, 2022. Net profit was increased due to increase sale volume and volume of operations.

Cash Flows

(Amount ₹ in lacs)

| Particulars | For the eight months period ended February 29- 2024 | For the year ended March 31, | | |
|---------------------------------------|---|------------------------------|----------|----------|
| | | 2023 | 2022 | 2021 |
| Net Cash from Operating Activities | (736.62) | 533.90 | 251.44 | 254.19 |
| Net Cash from Investing Activities | (8.05) | (74.11) | (11.23) | (18.76) |
| Net Cash used in Financing Activities | 744.11 | (481.10) | (229.30) | (216.98) |

Cash Flows from Operating Activities

Net cash from operating activities for the period ended February 29, 2024 was ₹(736.62) lacs as compared to the EBIDTA at ₹ 927.59 lacs. Net cash from operating activities for fiscal 2023 was at ₹533.90 lacs as compared to the EBIDTA at ₹ 450.15 lacs, while for fiscal 2022, net cash from operating activities was at ₹ 251.44 lacs as compared to the EBIDTA at ₹ 354.57 lacs. For fiscal 2021, the net cash from operating activities was ₹254.19 lacs compared to EBIDTA of ₹ 341.84 lacs.

Cash Flows from Investment Activities

Net cash from investing activities for the period ended February 29, 2024 was ₹ (8.05) lacs. This negative cash outflow is attributed to addition of plant and equipment. Net cash from investing activities was at ₹(74.11) lacs ₹(11.23) lacs and ₹(18.76) lacs in the fiscal 2023, 2022 and 2021 attributed to addition of plant and equipment.

Cash Flows from Financing Activities

Net cash from financing activities for the period ended February 29, 2024 was ₹744.11 lacs. Net cash from financing activities for fiscal 2023 was at ₹ (481.10) lacs and for fiscal 2022 was ₹ (229.30) lacs due to repayment of long term loans and interest on borrowings. For fiscal 2021, the net cash from financing activities was ₹(216.98) lacs on account of repayment of long term loans and interest on borrowings.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this 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

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on Page 159 and 197 respectively of this Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on Page 25 and 197 respectively of this Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” beginning on Page 25 of this Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. Competition Conditions

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, price and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements for the period ended February 29, 2024, and as adjusted for the Issue. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Statements*” and “*Risk Factors*” on pages 197, 159 and 25, respectively.

(in ₹ lakhs)

| | Pre Issue | Post Issue |
|--------------------------------------|------------------|-------------------|
| Debt | | |
| A. Long Term Debt | 400.88 | 400.88 |
| B. Short Term Debt | 2,460.17 | 2,460.17 |
| Total Debt | 2,861.04 | 2,861.04 |
| | | |
| Equity Shareholders Fund | | |
| Equity Share Capital | 1,290.00 | 1758.00 |
| Reserves and Surplus | 611.97 | 3,887.97 |
| Total Equity | 1,901.97 | 5,645.97 |
| | | |
| Long term Debt / Equity Ratio | 0.21 | 0.07 |
| Total Debt / Equity Ratio | 1.50 | 0.51 |

Notes:

1. As per Restated Financial Statements of the Company.

SECTION VII – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, as on the date of this Prospectus there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchanges against the Promoter in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoter and Subsidiaries.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated April 6, 2024, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Prospectus, if:

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company in any such pending litigation (individually or in aggregate), is equivalent to or above 5% of the restated turnover of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 348.02 lakhs);
- b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoter of our Company or our Group Company, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and
- c.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.

Our Board of Directors considers dues owed by our Company to the small-scale undertakings and other creditors exceeding ₹ 750.00 lakhs as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on April 6, 2024. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation are for that particular litigation only.

1. LITIGATION INVOLVING OUR COMPANY

i. Litigation against our Company

1. Criminal Proceedings

Nil

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

| Particulars | Number of cases | (₹ in lacs) |
|---------------------|-----------------|------------------|
| | | Amount involved* |
| <i>Indirect Tax</i> | | |
| Sales Tax/VAT | NIL | NIL |
| Central Excise | NIL | NIL |
| Customs | NIL | NIL |
| Service Tax | NIL | NIL |
| Total | NIL | NIL |

| Particulars | Number of cases | Amount involved* |
|---------------------------------|------------------------|-------------------------|
| <i>Direct Tax</i> | | |
| Cases filed against our Company | NIL | NIL |
| Cases filed by our Company | 1 | 230.52 |
| Total | 1 | 230.52 |

**To the extent quantifiable*

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

ii. Litigation by our Company

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

2. LITIGATION INVOLVING OUR PROMOTER

Cases filed against our Promoter

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Promoter, specifying the number of cases pending and the total amount involved:

| Particulars | Number of cases | Amount involved* |
|----------------------------------|------------------------|-------------------------|
| <i>(₹ in lacs)</i> | | |
| <i>Indirect Tax</i> | | |
| Sales Tax/VAT | NIL | NIL |
| Central Excise | NIL | NIL |
| Customs | NIL | NIL |
| Service Tax | NIL | NIL |
| Total | NIL | NIL |
| <i>Direct Tax</i> | | |
| Cases filed against our Promoter | NIL | NIL |
| Cases filed by our Promoter | NIL | NIL |
| Total | NIL | NIL |

**To the extent quantifiable*

4. *Other Material Litigations*

Nil

Cases filed by our Promoter

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

Disciplinary action against our Promoter by SEBI or any stock exchange in the last five Fiscals

As on date of this Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoter in the last five Fiscals including any outstanding action.

3. LITIGATION INVOLVING OUR DIRECTORS

Cases filed against our Directors

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

| <i>(₹ in lacs)</i> | | |
|-----------------------------------|------------------------|-------------------------|
| Particulars | Number of cases | Amount involved* |
| <i>Indirect Tax</i> | | |
| Sales Tax/VAT | NIL | NIL |
| Central Excise | NIL | NIL |
| Customs | NIL | NIL |
| Service Tax | NIL | NIL |
| Total | NIL | NIL |
| <i>Direct Tax</i> | | |
| Cases filed against our Directors | NIL | NIL |
| Cases filed by our Directors | NIL | NIL |
| Total | NIL | NIL |

**To the extent quantifiable*

3. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

Cases filed by our Directors

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

4. **LITIGATION INVOLVING OUR SUBSIDIARY**

As on date of this Prospectus, our Company does not have any subsidiaries.

5. **LITIGATION INVOLVING OUR GROUP COMPANY**

As on date of this Prospectus, our Company does not have any group companies.

6. **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In terms of the Materiality Policy dated April 6, 2024, our Company has Nil material creditor, as on February 29, 2024.

As on February 29, 2024, our Company has no payable or outstanding towards small-scale undertakings. Details of amounts outstanding to material and other creditors is as follows:

| Particulars | No. of Creditors | <i>(₹ in lacs)</i> |
|--|-------------------------|--------------------|
| | | Amount |
| Outstanding dues to material creditors | Nil | Nil |
| Outstanding dues to small scale undertakings | Nil | Nil |
| Outstanding dues to other creditors | 261 | 789.48 |
| Total outstanding dues | 261 | 789.48 |

For further details, refer to the section titled “*Financial Information*” on page 159 of this Prospectus.

7. **MATERIAL DEVELOPMENT SINCE FEBRUARY 29, 2024**

There have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 197 of this Prospectus

GOVERNMENT AND OTHER STATUTORY APPROVALS

We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer the chapter “Key Industrial Regulations and Policies” on page 130 of this Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects of our Company enable our Company to carry out its respective activities.

The following statements set out the details of licenses, permissions and approvals taken by our Company under various central and state laws for carrying out the business:

I. Issue related Approvals

For the approvals and authorizations obtained by our Company in relation to the Issue, see “*Other Regulatory and Statutory Disclosures – Authority for the Issue*” on page 215 of this Prospectus.

II. Approvals from the Stock Exchanges

- a) Our Company has received an in-principle approval from Emerge Platform of The National Stock Exchange of India Limited dated July 31, 2024 for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INE0U2501017.

III. General Approvals

- a) Certificate of Incorporation dated January 12, 2024 issued under the Companies Act, 2013 by the Registrar of Companies, Central Registration Centre.
- b) Fresh Certificate of Incorporation dated April 5, 2024, issued under the Companies Act, 2013 by the Registrar of Companies, Central Processing Centre, consequent to conversion of our Company into a public limited company.
- c) Letter dated February 15, 2024, issued by the Regional Office of the Employees’ State Insurance Corporation, Kolkata under the Employee State Insurance Act, 1948 for allotting code number 41001471120000199 to our Company.
- d) Letter dated January 13, 2024, issued by the Employees’ Provident Fund Organisation under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 for allotting code number WBCAL3178232000 to our Company.
- e) Udyam Registration certificate dated April 6, 2024 issued by the Ministry of micro, Small and Medium Enterprises, Government of India for allotting the udyam registration number UDYAM-WB-18-0081726 to our Company.
- f) Legal Entity Identifier (LEI) certificate dated April 8, 2024 issued by LEI Register India Private Limited bearing registration number 335800NNWQFDLJKTDW73 to our Company.

IV. Tax Related Approvals

- a) Our Company’s Permanent Account Number dated January 12, 2024 issued by the Income Tax Department is AAFCF7709K.
- b) Our Company’s Tax Deduction and Collection Number dated January 12, 2024 and last modified on May 7, 2024, issued by the Income Tax Department is CALF04566C.
- c) Registration certificate dated July 1, 2017 issued by the Government of India under the Central Goods and Services Tax Act, 2017 for allotting registration number 19AACFF2909B1ZU to our Company.

- d) Registration certificate dated May 29, 2024 issued by the Government of India under the Central Goods and Services Tax Act, 2017 for allotting registration number 19AAFCF7709K1Z6 to our Company.

V. Business Related Approvals

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below.

| Sr. No. | Type of License/Approval | Issuing Authority | Reference / Registration / License No. | Date of Issue/Renewal | Valid up to |
|---------|---|--|--|-----------------------|------------------|
| 1. | Certificate of Enlistment issued under the Kolkata Municipal Corporation Act, 1980 | License Department, Kolkata Municipal Corporate | 0917P282372420300 | February 2, 2024 | February 1, 2025 |
| 2. | Certificate of registration under issued under West Bengal Shops and Establishments Act, 1963 | Registering Authority under the West Bengal Shops and Establishments Act, 1963 | SP02862N2024002769 | June 19, 2024 | June 18, 2025 |


VI. Quality Related Approvals

Nil

VII. Intellectual Property Related Approvals



Copyright:





Our Company owns the following copyright:

| Sr. No. | Particulars of Copyright | Registration No. | Date of Registration |
|---------|---|------------------|----------------------|
| 1 |  | A-134871/2020 | October 9, 2020 |

Trademark:

Our Company owns the following trademark:

| Sr. No. | Particulars of Trademark | Registration No. | Class | Status |
|---------|---|------------------|-------|------------|
| 1 | FTX FITNESS EXCHANGE | 5014830 | 35 | Registered |
| 2 |  | 3358515 | 25 | Registered |
| 3 | FTX | 5014829 | 35 | Registered |
| 4 |  | 3358514 | 25 | Registered |
| 5 | TRIBE | 3944364 | 25 | Registered |

| Sr. No. | Particulars of Trademark | Registration No. | Class | Status |
|---------|--|------------------|-------|------------|
| 6 | TRIBE | 5014828 | 35 | Registered |
| 7 |  TRIBE | 4062335 | 25 | Registered |
| 8 |  TRIBE | 5014827 | 35 | Registered |
| 9 | CONTENO | 4205711 | 25 | Registered |
| 10 |  CONTENO | 3944364 | 25 | Registered |
| 11 | CONTENO | 4205712 | 35 | Registered |
| 12 |  CONTENO | 4205710 | 35 | Registered |
| 13 | CONTENO | 3358514 | 25 | Registered |

VIII. Licenses/ Approvals for which applications have been made by our Company and are pending:

Nil

IX. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.

Nil

X. Licenses / Approvals which are required but not yet applied for by our Company:

Our Company is yet to apply for change of our name on its licenses pursuant to its conversion into a public limited company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on April 5, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on April 6, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated July 31, 2024 from NSE for using its name in this Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoters or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

CONFIRMATIONS

1. Our Company, our Promoters, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital shall be upto ₹ 1,758 lakhs can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of 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 in India.*

Our Company is incorporated under the Companies Act, 2013.

2. *The post issue paid up capital of the company shall not be more than ₹ 25.00 Crore.*

The present paid-up capital of our Company is ₹ 1,290.00 lakhs and we are proposing issue 46,80,000* Equity Shares of ₹ 10/- each at Issue price of ₹ 80 per Equity Share including share premium of ₹ 70 per Equity Share, aggregating

₹ 3,744.00 lakhs. Hence, our Post Issue Paid up Capital will be ₹ 1,758 lakhs. Accordingly, our Company has fulfilled the criteria of post issue paid up capital prescribed under Regulation 229(2) of the SEBI ICDR Regulations.

**Subject to finalisation of Basis of Allotment.*

3. Track Record

A. *The company should have a track record of at least 3 years.*

Our Company was originally formed as a partnership firm under the name and style of 'M/s. Forcas Apparels' pursuant to a deed of partnership dated April 9, 2010. Subsequently, pursuant to a resolution dated October 3, 2023 passed at the meeting of partners of M/s. Forcas Apparels, the partnership firm was converted into a private limited company under the Companies Act, 2013 under the name and style of 'Forcas Studio Private Limited' and a certificate of incorporation dated January 12, 2024 was issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by our Board of Directors in their meeting held on February 20, 2024, and by the Shareholders at an Extra-Ordinary General Meeting held on February 23, 2024, our Company was converted into a public limited company and consequently the name of our Company was changed to 'Forcas Studio Limited' and a fresh certificate of incorporation dated April 5, 2024 was issued by Registrar of Companies, Central Processing Centre.

B. *The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.*

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|
| Operating profit (earnings before interest, depreciation and tax and other income) from operations | 248.19 | 294.15 | 279.75 |
| Net Worth as per Restated Financial Statement | 860.26 | 830.84 | 711.94 |

4. Other Requirements

We confirm that:

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

5. The Company has a website: www.focasstudio.in

6. Disclosures

We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting company(ies), companies promoted by the Promoters/promoting companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting company(ies), companies promoted by the Promoters/promoting Company(ies) during the past three years.
- iii. There are no litigations record against the applicant, Promoters/promoting company(ies), companies & promoted by the Promoters/promoting company(ies).
- iv. There are no criminal cases/investigation/offences filed against the director of the Company.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue was 100% underwritten in compliance of

Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled “**General Information**” beginning on page no. 52 of this Prospectus.

2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM ensured compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “**General Information**” beginning on page no. 52 of this Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottees in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) 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 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. 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.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we also ensured that we submitted the soft copy of the Red Herring Prospectus through the BRLM immediately upon registration of this Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Red Herring Prospectus. A copy of this Prospectus has also been submitted with SEBI, Stock Exchange and the Registrar of the Companies for information and dissemination purposes.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

SEBI DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS 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 OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED SHALL FURNISH TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 8, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, WEST BENGAL AT KOLKATA, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, has been included in this Prospectus:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3939 dated July 31, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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 any other reason whatsoever.”

DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company’s instance and anyone placing reliance on any other source of information, including our Company’s website, www.focasstudio.in, or the websites of the members of our Promoters Group, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Horizon Management Private Limited) and our Company on April 6, 2024, and the Underwriting Agreement dated August 8, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated August 8, 2024 entered into among the Market Maker, BRLM and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoters Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

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 authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about and to observe,

any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in West Bengal only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE 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 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.

FILING OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus was not filed with SEBI, nor did SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to SEBI Master Circular and pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of the Red Herring Prospectus was furnished to the Board. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus and this Prospectus have been filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus was filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus along with the material contracts, documents and this Prospectus have been filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

LISTING

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated July 31, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six Working Days from the Issue Closing Date.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

CONSENTS

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Market Maker, Banker to the Issue, Syndicate Member and Underwriter to act in their respective capacities have been obtained.

Above consents have been filed along with a copy of this Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated April 6, 2024, from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated April 6, 2024 on our Restated Financial Information; and (ii) its report dated April 6, 2024 on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

EXPERT OPINION

Except for the reports in the sections “*Statement of Special Tax Benefits*” and “*Financial Information*” on pages 92 and 159, respectively of this Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name in this Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has not made public issue or rights issue under SEBI ICDR Regulations, in the past. For details of rights issues please refer chapter titled “*Capital Structure*” beginning on page no. 63 of this Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL ISSUE DURING THE LAST THREE YEARS

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 63 of this Prospectus. Our Company does not have any subsidiary or associates or listed group company, as of the date of this Prospectus.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM

SME:

Price Information of past issues handled by the Book Running Lead Manager

Price Information of past issues handled by the Book Running Lead Manager

Price Information of past issues handled by the Book Running Lead Manager

| Sr. No. | Issue Name | Issue size (₹ In Cr.) | Issue Price (₹) | Listing date | Opening price on listing date | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing* | | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing* | | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing* | |
|---------|--------------------------------------|-----------------------|-----------------|-------------------|-------------------------------|---|-------|---|-------|--|--------|
| | | | | | | | | | | | |
| 1. | Cosmic CRF Limited | 57.21 | 314 | June 30, 2023 | 251.20 | -17.17% | 2.80% | -21.66% | 1.71% | 95.86% | 11.31% |
| 2. | Baba Food Processing (India) Limited | 32.88 | 76 | November 15, 2023 | 76.00 | -11.58 | 7.66% | -27.04% | NA | NA | NA |
| 3. | MVK Agro Food Product Ltd | 65.88 | 120 | March 7, 2024 | 79.00 | -56% | 0% | -66% | 3% | 79 | -56% |
| 4. | Shree Karni Fabcom Limited | 42.49 | 227 | March 14, 2024 | 260.00 | 101% | 2% | 207% | 5% | 260 | 101% |
| 5. | Veritaas Advertising Limited | 8.48 | 114 | May 21, 2024 | 275.00 | NA | NA | NA | NA | NA | NA |
| 6. | Tunwal E-Motors Limited | 124.12 | 59 | July 23, 2024 | 64 | NA | NA | NA | NA | NA | NA |

Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPOs trading at discount - 30 th calendar day from listing day* | | | Nos. of IPOs trading at premium - 30 th calendar day from listing day* | | | Nos. of IPOs trading at discount - 180 th calendar day from listing day* | | | Nos. of IPOs trading at premium - 180 th calendar day from listing day* | | |
|----------------|-------------------|-------------------------------|--|-------|-----|---|-------|-----|---|-------|-----|--|-------|-----|
| | | | Ove | Betwe | Les | Ove | Betwe | Les | Ove | Betwe | Les | Ove | Betwe | Les |
| | | | er | n | s | er | n | s | er | n | s | er | n | s |
| 2023-24 | 4 | 198.46 | Nil | Nil | 2 | Nil | 1 | Nil | Nil | Nil | 1 | Nil | Nil | |
| 2024-25 | 2 | 8.48 | - | - | - | - | - | - | - | - | - | - | - | |

Break -up of past issues handled by Horizon Management Private Limited:

| Financial Year | No. of SME IPOs | No. of Main Board IPOs |
|----------------|-----------------|------------------------|
| 2023-24 | 4 | Nil |
| 2024-25 | 2 | Nil |

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
2. Source: www.bseindia.com and www.nseindia.com

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager as set forth in the table below:

| Sr. No. | Name of the Book Running Lead Manager | Website |
|---------|---------------------------------------|--|
| 1 | Horizon Management Private Limited | www.horizonmanagement.in |

Main Board:

The Book Running Lead Manager has not undertaken any main board issued in the past.

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 63 of this Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS

As on the date of this Prospectus, our Company does not have any subsidiaries. Further, we do not have a corporate promoter.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on

voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 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 has constituted Stakeholders Relationship Committee as follows:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Hitu Gambhir Mahajan | Chairman | Independent Director |
| Sourav Agarwal | Member | Whole-time Director |
| Amit Rathi | Member | Independent Director |

Our Company has appointed Sangita Kumari Agarwal, the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Tara Maa Tower, B3-71C/161 BBT Road,
Vivekanandapur, South 24 Parganas,
Thakurpukur Mahestola -700 141,
West Bengal, India
Telephone: +91 332 950 1056
Facsimile: N.A.
E-mail: cs@forcasstudio.in

Till date of this Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 63 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTERS

There are no listed ventures of our Company or of our Promoters as on date of filing of this Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).

Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised 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 Registrar to the Issue and DPs as and when the same is made available.

Authority for the Issue

The present Public Issue of 46,80,000 Equity Shares which was authorized by a resolution of the Board of Directors of our Company at their meeting held on April 5, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on April 6, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled **“Description of Equity Shares and terms of the Articles of Association”** beginning on Page No. 267 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled **“Dividend Policy”** beginning on Page No. 158 of this Prospectus.

Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band was ₹ 77 per Equity Share (**“Floor Price”**) and at the higher end of the Price Band was ₹ 80 per Equity Share (**“Cap Price”**).

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled **“Basis of Issue Price”** beginning on page 84 of this Prospectus.

Compliance with SEBI (ICDR) Regulations

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 the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & 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;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company has ensured that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated March 18, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated March 7, 2024.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares happened in the minimum contract size of 1,600 Equity Shares. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,600 Equity Shares subject to a minimum allotment of 1,600 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to Investor

In accordance with Section 72 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 of the Companies

Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, 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:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 63 of this Prospectus and except as provided in the 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, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 267 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running 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 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.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

ISSUE PROGRAM

| Events | Indicative Dates |
|--|--|
| Anchor Portion Issue Opens/Closes On* | Friday, August 16, 2024 |
| Bid/Issue Opening Date* | Monday, August 19, 2024 |
| Bid/Issue Closing Date***^ | Wednesday, August 21, 2024 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or before Thursday, August 22, 2024 |

| | |
|--|--------------------------------------|
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or before Friday, August 23, 2024 |
| Credit of Equity Shares to Demat accounts of Allottees | On or before Friday, August 23, 2024 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before Monday, August 26, 2024 |

* The Anchor Investor Bid/ Issue Period was one Working Day prior to the Bid/Issue Opening Date.

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder was compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 was deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as 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. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. Our Company shall follow the timelines provided under the aforementioned circular.

Any circulars or notifications from the SEBI after the date of this Prospectus may result in changes to the above-mentioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids

Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Issue Closing Date, the Bids was uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

The Registrar to the Issue submitted the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs unblocked such applications by the closing hours of the Working Day and submitted the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any was allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It was clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount was not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in the Red Herring Prospectus and this Prospectus is Indian Standard Time. Bidders were cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded will not be considered for allocation under the Issue. Bids were accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken.

Minimum Subscription

This Issue was not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company had not received the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company would have forthwith refunded the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue was hundred percent underwritten. Thus, the underwriting obligations were for the entire hundred percent of the issue through this Red Herring Prospectus and were not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company ensured that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company ensured that the minimum application size in terms of number of specified securities was not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

| Parameter | Migration policy from NSE SME Platform to NSE Main Board |
|--|--|
| Paid up Capital & Market Capitalisation | The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares |
| Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT) | The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange. |
| Listing period | The applicant should have been listed on SME platform of the Exchange for at least 3 years. |
| Other Listing conditions | <ul style="list-style-type: none"> • The applicant Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies. • The company has not received any winding up petition admitted by a NCLT. • The net worth* of the company should be at least 50 crores <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p> |

| | |
|---|--|
| Public Shareholders | Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000. |
| The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following: | <ul style="list-style-type: none"> • The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner. • Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed. • Redressal mechanism of Investor grievance • PAN and DIN no. of Director(s) of the Company • Change in Control of a Company/Utilization of funds raised from public |

Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited 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 the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 52 of this Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares happened in the minimum contract size of 1,600 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker bought the entire shareholding of a shareholder in one lot, where value of such shareholding was less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “**Capital Structure**” beginning on page 63 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this 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.

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.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity

Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

ISSUE STRUCTURE

This Issue was being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital will be upto ₹ 1,758, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 225 and 236 respectively of this Prospectus.

This public issue comprised of 46,80,000 equity shares of face value of ₹10/- each for cash at a price of ₹ 80/- per equity share including a share premium of ₹ 70/- per equity share (the “issue price”) aggregating ₹ 3,744.00 lakhs* (“the issue”) by our Company. The Issue and the Net Issue constituted 26.62% and 25.28% respectively of the post issue paid up Equity Share Capital of the Company.

**Subject to finalisation of Basis of Allotment*

This Issue is being made by way of Book Building Process (1):

| Particulars of the Issue (2) | Market Maker Reservation Portion | QIBs | Non-Institutional Applicants | Retail Individual Investors |
|---|----------------------------------|---|---------------------------------------|---------------------------------------|
| Number of Equity Shares available for allocation | 2,35,200 Equity shares | Not more than 22,20,800 Equity Shares. | Not less than 6,67,200 Equity Shares | Not less than 15,56,800 Equity Shares |
| Percentage of Issue size available for allocation | 5.03% of the issue size | Not more than 49.96% of the Net Issue was made available for allocation to QIB Bidders. However, 5% of the Net QIB Portion was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion 59.94% of the QIB Portion was made available for allocation to Anchor Investors and one third of the Anchor Investors Portion was made available for allocation to domestic mutual funds only. | Not less than 15.01% of the Net Issue | Not less than 35.03% of the Net Issue |
| Basis of Allotment(3) | Firm Allotment | Proportionate as follows: a) 44,800.00 Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and b) 8,44,800 Equity Shares were made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above | Proportionate | Proportionate |

| Particulars of the Issue (2) | Market Maker Reservation Portion | QIBs | Non-Institutional Applicants | Retail Individual Investors |
|--|---|--|---|--|
| Mode of Bid | Only through the ASBA Process | Only through the ASBA process. | Through ASBA Process through banks or by using UPI ID for payment | Through ASBA Process through banks or by using UPI ID for payment |
| Mode of Allotment | Compulsorily in dematerialized form | | | |
| Minimum Bid Size | 2,35,200 Equity Shares | Such number of Equity Shares and in multiples of 1,600 Equity Shares that the Bid Amount exceeds ₹ 200,000 | Such number of Equity Shares in multiples of 1,600 Equity Shares that Bid size exceeds ₹ 200,000 | 1,600 Equity Shares in multiple of 1,600 Equity shares so that the Bid Amount does not exceed ₹ 2,00,000 |
| Maximum Bid Size | 2,35,200 Equity Shares | Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits | Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder | Such number of Equity Shares in multiples of 1,600 Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000 |
| Trading Lot | 1,600 Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations | 1,600 Equity Shares and in multiples thereof | 1,600 Equity Shares and in multiples thereof | 1,600 Equity Shares |
| Terms of Payment | Full Bid Amount was blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that was specified in the ASBA Form at the time of submission of the ASBA Form. | | | |
| Mode of Bid | Only through the ASBA process (excluding the UPI Mechanism). | Only through the ASBA process (excluding the UPI Mechanism). | Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000) | Only through the ASBA process (including the UPI Mechanism) |

- (1) This issue was made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this was an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue was made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Our Company, in consultation with the BRLM may allocated 59.94% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds subject to valid Bids being received from

domestic Mutual Funds at or above the Anchor Investor Price.

- (5) Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price was payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled “*Issue Procedure*” beginning on page 236 of this Prospectus.

Withdrawal of the Issue

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in all editions of Business Standard (English), an English national daily newspaper, Business Standard (Hindi) a Hindi national newspaper and all Bengali editions of Sukhabar, a regional language newspaper (Bengali, being the regional language of West Bengal, where our Registered Office is situated), each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at West Bengal.

BID/ ISSUE PROGRAMME:

| Events | Indicative Dates |
|--|--|
| Anchor Portion Issue Opens/Closes On* | Friday, August 16, 2024 |
| Bid/Issue Opening Date* | Monday, August 19, 2024 |
| Bid/Issue Closing Date^ | Wednesday, August 21, 2024 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or before Thursday, August 22, 2024 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | On or before Friday, August 23, 2024 |
| Credit of Equity Shares to Demat accounts of Allottees | On or before Friday, August 23, 2024 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before Monday, August 26, 2024 |

* The Anchor Investor Bid/ Issue Period was one Working Day prior to the Bid/Issue Opening Date.

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder was compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM in their sole discretion, identified and fixed the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 was deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

Bids and any revisions to the same were accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date was:

- A standard cut-off time of 3.00 p.m. for acceptance of bids.
- A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It was clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids were accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.

ISSUE PROCEDURE

All Bidders shall 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, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, 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 Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Bidders; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had 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 RIBs 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, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”) and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 SEBI Circular”). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Prospectus. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application size are up to ₹5 lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.

BOOK BUILDING PROCEDURE:

This Issue was made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 49.96% of the Issue was allocated on a proportionate basis to QIBs, allocated 59.94% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.03% of the QIB Portion was made available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion was made available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.01% of the Issue was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.03% of the Issue was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, were treated as incomplete and were rejected. Bidders did not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of this Red Herring Prospectus could be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms could also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. All the applicants were required to apply only through the ASBA process. ASBA Applicants were required to submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants were required to only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form contained space for indicating number of specified securities subscribed for in demat form.

Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto 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 Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure

to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

- c) Phase III/T+3: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 vide T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Press Release as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company were required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus were made available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form was also available for download on the website of National Stock Exchange of India Limited (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

All Bidders were required to mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion could additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism were required to provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID were liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders were required to ensure that the Bids were made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, could submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs. ASBA Bidders were required to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories was as follows:

| Category | Colour of Application Form* |
|--|-----------------------------|
| Anchor Investor** | White |
| Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis | White |
| Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis | Blue |

Note: Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited (www.nseindia.com).

** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs captured and uploaded the relevant details in the electronic bidding system of stock exchange(s) and shall submitted/delivered the Bid Cum Application Forms to respective SCSBs where the Bidders had a bank account and did not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall captured and uploaded the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders were required only to use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form was required to contain information about the Bidder and the price and the number of Equity Shares that the Bidders wished to apply for. Bid Cum Application Forms downloaded and printed from the website of the Stock Exchange were required to bear a system generated unique application number. Bidders were required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Application Amount could be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, was required to submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

| Sr. No. | Designated Intermediaries |
|---------|--|
| 1. | An SCSB, with whom the bank account to be blocked, is maintained |
| 2. | A syndicate member (or sub-syndicate member) |
| 3. | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') |
| 4. | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| 5. | A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity) |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|--|--|
| 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 Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |

| | |
|--|---|
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |
|--|---|

Stock exchange validated 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 allowed modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders were deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shared the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank initiated request for blocking of funds through NPCI to RIBs, who accepted the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank initiated requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut-Off Time"). Accordingly, RIBs accepted UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time lapsed. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

WHO COULD BID?

Each Bidder was required to check whether it was eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs were not allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders were requested to refer to this RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the 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 EligibleNRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

APPLICATIONS NOT TO BE MADE BY:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application was required to be for a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders had to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application was required to be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,600 Equity Shares thereafter. An Application could not be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not have exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder could not withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon

submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, had to ensure that the Application Amount was greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders were advised to ensure that any single Application from them did not exceed the investment limits or maximum number of Equity Shares that could be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and this Prospectus.

The above information was given for the benefit of the Bidders. The Company and the BRLM were not liable for any amendments or modification or changes in applicable laws or regulations, which could occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that the number of Equity Shares applied for did not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM decided the Price Band and the minimum Bid lot size for the Issue and the same was advertised in all editions Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national newspaper and all Bengali editions of Sukhabar, a regional language newspaper (Bengali, being the regional language of West Bengal, where our Registered Office is situated) each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs accepted Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period was for a minimum of three Working Days and did not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional one Working Day, subject to the total Bid/ Issue Period not exceeding 10 Working Days.
- b) Each Bid cum Application Form gave the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form were treated as optional demands from the Bidder and were not cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price were considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, became automatically invalid.
- c) The Bidder / Applicant could not Bid through another Bid cum Application Form after Bids through one Bid cum Application Form were submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB were treated as multiple Bid and were liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder could revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs entered each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder could receive up to three TRSs for each Bid cum Application Form.
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB verified if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds were not available in the ASBA Account, the Designated Branch of the SCSB rejected such Bids and such Bids were not uploaded with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB blocked an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and entered each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS was furnished to the ASBA Bidder on request.
- h) The Bid Amount remained blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a. Our Company in consultation with the BRLM, finalized the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- b. The Bidders could Bid at any price within the Price Band. The Bidder had to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders could Bid at the Cut-off Price. However, bidding at the Cut-off Price was prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders were rejected.
- c. Retail Individual Bidders, who Bid at Cut-off Price agreed that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders submitted the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders instructed the SCSBs to block an amount based on the Cap Price.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, were not allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe to Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription would be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager declared the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also published the same in all editions Business Standard, an English national daily newspaper and all editions of Business Standard (Hindi), a Hindi national newspaper and all Bengali editions of Sukhabar, a regional language newspaper (Bengali, being the regional language of West Bengal, where our Registered Office is situated) each with wide circulation. This advertisement was in prescribed format.
2. Our Company filed the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of this Red Herring Prospectus were made available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms were also made be available on the websites of the Stock Exchange.
4. Any Bidder who wanted to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form could obtain the same from our Registered Office.
5. Bidders who were interested in subscribing for the Equity Shares were required to approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs were required to bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive were rejected.
7. The Bid Cum Application Form could 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 provided 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 had to apply only through UPI Channel, they had to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that did not contain such details were liable to be rejected.

8. Bidders applying directly through the SCSBs were required to ensure that the Bid Cum Application Form were submitted to a Designated Branch of SCSB, where the ASBA Account was maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, blocked an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders were required to note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries did not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form was liable to be rejected.

BIDS BY HUFs

Bids by Hindu Undivided Families or HUFs were required to be made in the individual name of the Karta. The Bidder were required to specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate were required to be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids were made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme were required to invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NRIS

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms were required to authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, did not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or did not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, did not exceed 10% of the total paid-up equity capital on a fully diluted basis or did not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be

raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs were permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility was enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism were advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see **“Restrictions on Foreign Ownership of Indian Securities”** beginning on page 265. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

BIDS BY FPIS

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) were required to be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserved the right to reject any Bid without assigning any reason. FPIs who wished participate in the Issue were advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs would be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs were 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 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It was clarified that FPIs bearing the same PAN would be treated as multiple Bids by a Bidder and would be rejected, except for Bids from FPIs that utilise the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which were submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids were rejected.

BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs could invest only up to 33.33% of

the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF could not invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF could not invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which were authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There was no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see *“Key Regulations and*

Policies” beginning on page 130.

BIDS BY SCSBS

SCSBs participating in the Issue were required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs were 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.

BIDS BY SYSTEMICALLY IMPORTANT NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%* of the outstanding equity shares (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;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid without assigning any reason thereof.

BIDS BY ANCHOR INVESTORS

Our Company in consultation with the BRLM, considered participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations were eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In

accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion were communicated to the Anchor Investors and have been provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 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 along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders had to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Bidders were advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ 80 per share was payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar instructed the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders were required to specify the bank account number in their Bid Cum Application Form and the SCSBs blocked an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB kept the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders could neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue gave 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 remained blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors were required to bid through ASBA Mode. Anchor Investors were requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, decided the list of Anchor Investors to whom the CAN would be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names would be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: a. In case of resident Anchor Investors: — “FORCAS STUDIO LIMITED IPO – Anchor R Account ”
- b) In case of Non-Resident Anchor Investors: — “FORCAS STUDIO LIMITED IPO – Anchor NR Account”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors

Electronic Registration of Applications

1. The Designated Intermediaries registered the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries would 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 were 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 Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange issued an electronic facility for registering applications for the Issue. This facility was available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries could 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 could upload the applications till such time as may be permitted by the Stock Exchange. This information was made available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details* |
|--------|-------------------|
| 1. | Symbol |
| 2. | Intermediary Code |
| 3. | Location Code |
| 4. | Application No. |
| 5. | Category |
| 6. | PAN |
| 7. | DP ID |

| | |
|-----|-----------|
| 8. | Client ID |
| 9. | Quantity |
| 10. | Amount |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries were required to enter the following information pertaining to the Bidders into in the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder was required to complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which was system generated.
9. The aforesaid Designated Intermediaries, at the time of receipt of application, gave an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries did not guarantee that the Equity Shares were allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus and this Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, 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 Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries was given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and validated the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matched the three parameters, namely DP ID, Client ID and PAN, then such applications were liable to be rejected.
14. The SCSBs was given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system were considered as final and Allotment will be based on such details for applications.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries were electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information were available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange was made available at the Bidding centers during the Bid/ Issue Period.

Withdrawal of Bids

- a) RIIs could withdraw their Bids until Bid/ Issue Closing Date. In case a RII wished to withdraw the Bid during the Bid/Issue Period, the same could be done by submitting a request for the same to the concerned Designated Intermediary who could do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue have instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs could neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalized the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP and this Prospectus.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP and this Prospectus.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue, it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|---------------------|-----------------------|----------------------------|---------------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

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

Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and this Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;

17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to 254inalized blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of www.sebi.gov.in); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.

6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum ApplicationForms in a colour prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
14. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus and this Prospectus;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “**General Information**” and “**Our Management**” beginning on pages 52 and 141, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “**General Information**” beginning on page 52.

GROUNDS FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” beginning on page 52.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI Master Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

Names of entities responsible for finalized the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS WERE REQUIRED TO NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the

percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP and this Prospectus.

- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP and this Prospectus.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issue was 100% underwritten.

Flow of Events from the closure of Bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below.

Process for generating list of Allottees:

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 15,56,800 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 15,56,800 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 1,600 Equity Shares. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 6,67,200 Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 6,67,200 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. Allotment To Anchor Investor (If Applicable)

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- i. not more than 59.94% of the QIB Portion will be allocated to Anchor Investors;
- ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
 - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

d. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for

Allotment to all QIB Bidders as set out in (b) below;

ii. In the second instance, allotment to all QIBs shall be determined as follows:

- In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter for 5% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 8,89,600 Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the National Stock Exchange of India Limited Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted 1,600 equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 1,600 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,600 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Prospectus.

Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

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Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

Instructions for Completing the Bid Cum Application Form

The Applications was required to be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made were liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account were liable to be rejected. Bid Cum Application Forms was required to bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which did not bear the stamp of the Designated Intermediaries, were liable to be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form was mandatory and applications that did not contain such details were liable to be rejected.

Bidders were required to note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue obtained from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed were required to be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.

BASIS OF ALLOTMENT

Allotment will be made in consultation National Stock Exchange of India Limited (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:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:
 - i. Each successful applicant shall be allotted 1,600 equity shares; and

- ii. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,600 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

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 100.00% of the Issue size 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 National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the 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.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on March 18, 2024.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on March 7, 2024.
- c) The Company's Equity shares bear an ISIN No. INE0U2501017.

An Applicant applying for Equity Shares was required to have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant was required to necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form was required to be identical to those appearing in the account details in the Depository. In case of joint holders, the names were necessarily required to be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it was liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company had, after filing of the Red Herring Prospectus with the RoC, published a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national newspaper and all Bengali editions of Sukhabar, a regional language newspaper (Bengali, being the regional language of West Bengal, where our Registered Office is situated) each with wide circulation).

In the Pre-Issue advertisement, disclosed the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a) Our Company and the Underwriter had entered into an Underwriting Agreement dated August 8, 2024.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus had been filed with the RoC in accordance with applicable law.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- I. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. 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*
- III. 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 ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through this Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue 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; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, , 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India)

Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

| Article No. | Articles | Particulars |
|----------------|---|---|
| 1. | Table F Applicable. | No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto. |
| CAPITAL | | |
| 3. | Authorized Capital. | The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time. |
| 4. | Increase of capital by the Company how carried into effect | The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act. |
| 5. | New Capital same as existing capital | Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. |
| 6. | Non-Voting Shares | The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force. |
| 7. | Redeemable Preference Shares | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit. |
| 8. | Voting rights of preference shares | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares. |
| 9. | Provisions to apply on issue of Redeemable Preference Shares | On the issue of redeemable preference shares under the provisions of Article hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in |

| Article No. | Articles | Particulars |
|-------------------------------------|---|--|
| | | <p>Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p> |
| 10. | Reduction of capital | <p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p> |
| 11. | Debentures | <p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p> |
| 12. | Issue of Sweat Equity Shares | <p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p> |
| 13. | ESOP | <p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p> |
| 14. | Buy Back of shares | <p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p> |
| 15. | Consolidation, Sub-Division And Cancellation | <p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p> |
| 16. | Issue of Depository Receipts | <p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.</p> |
| 17. | Issue of Securities | <p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.</p> |
| MODIFICATION OF CLASS RIGHTS | | |
| 18. | Modification of rights | <p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> |

| Article No. | Articles | Particulars |
|---|--|---|
| | | Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation. |
| | New Issue of Shares not to affect rights attached to existing shares of that class. | (b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking <i>pari passu</i> therewith. |
| 19. | Shares at the disposal of the Directors. | Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. |
| 20. | Power to issue shares on preferential basis. | The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder. |
| 21. | Shares should be Numbered progressively and no share to be subdivided. | The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. |
| 22. | Acceptance of Shares. | An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member. |
| 23. | Directors may allot shares as full paid-up | Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid. |
| 24. | Deposit and call etc.to be a debt payable immediately. | The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly. |
| 25. | Liability of Members. | Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof. |
| 26. | Registration of Shares. | Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind. |
| RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT | | |
| 27. | | The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act. |
| CERTIFICATES | | |
| 28. | Share Certificates. | (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided |

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| | | <p>in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> |
| 29. | <p>Issue of new certificates in place of those defaced, lost or destroyed.</p> | <p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p> |
| 30. | <p>The first named joint holder deemed Sole holder.</p> | <p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p> |

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| | Maximum number of joint holders. | (b) The Company shall not be bound to register more than three persons as the joint holders of any share. |
| 31. | Company not bound to recognise any interest in share other than that of registered holders. | Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them. |
| 32. | Installment on shares to be duly paid. | If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative. |
| UNDERWRITING AND BROKERAGE | | |
| 33. | Commission | Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other. |
| 34. | Brokerage | The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful. |
| CALLS | | |
| 35. | Directors may make calls | (1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments. |
| 36. | Notice of Calls | Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid. |
| 37. | Calls to date from resolution. | A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors. |
| 38. | Calls on uniform basis. | Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class. |
| 39. | Directors may extend time. | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. |
| 40. | Calls to carry interest. | If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. |
| 41. | Sums deemed to be calls. | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has |

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| | | been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly. |
| 42. | Proof on trial of suit for money due on shares. | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. |
| 43. | Judgment, decree, partial payment motto proceed for forfeiture. | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided. |
| 44. | Payments in Anticipation of calls may carry interest | <p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend</p> <p>(b) or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p> |
| LIEN | | |
| 45. | Company to have Lien on shares. | The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause. |
| 46. | As to enforcing lien by sale. | For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue |

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| | | a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned. |
| 47. | Application of proceeds of sale. | The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale. |
| FORFEITURE AND SURRENDER OF SHARES | | |
| 48. | If call or installment not paid, notice may be given. | If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force. |
| 49. | Terms of notice. | The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited. |
| 50. | On default of payment, shares to be forfeited. | If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture. |
| 51. | Notice of forfeiture to a Member | When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members. |
| 52. | Forfeited shares to be property of the Company and may be sold etc. | Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit. |
| 53. | Members still liable to pay money owing at time of forfeiture and interest. | Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. |
| 54. | Effect of forfeiture. | The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved. |
| 55. | Evidence of Forfeiture. | A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares. |
| 56. | Title of purchaser and allottee of Forfeited shares. | The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall |

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| | | his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares. |
| 57. | Cancellation of share certificate in respect of forfeited shares. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto. |
| 58. | Forfeiture may be remitted. | In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable. |
| 59. | Validity of sale | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. |
| 60. | Surrender of shares. | The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit. |
| TRANSFER AND TRANSMISSION OF SHARES | | |
| 61. | Execution of the instrument of shares. | (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof. |
| 62. | Transfer Form. | The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange; |
| 63. | Transfer not to be registered except on production of instrument of transfer. | The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law. |
| 64. | Directors may refuse to register transfer. | Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever; |
| 65. | Notice of refusal to be given to transferor and transferee. | If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving |

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| | | intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply. |
| 66. | No fee on transfer. | No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company. |
| 67. | Closure of Register of Members or debenture holder or other security holders. | The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. |
| 68. | Custody of transfer Deeds. | The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine. |
| 69. | Application for transfer of partly paid shares. | Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice. |
| 70. | Notice to transferee. | For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. |
| 71. | Recognition of legal representative. | <p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p> |
| 72. | Titles of Shares of deceased Member | The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act. |
| 73. | Notice of application when to be given | Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act. |

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| 74. | Registration of persons entitled to share otherwise than by transfer. (transmission clause). | Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'. |
| 75. | Refusal to register nominee. | Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. |
| 76. | Board may require evidence of transmission. | Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity. |
| 77. | Company not liable for disregard of a notice prohibiting registration of transfer. | The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit. |
| 78. | Form of transfer Outside India. | In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit. |
| 79. | No transfer to insolvent etc. | No transfer shall be made to any minor, insolvent or person of unsound mind. |
| NOMINATION | | |
| 80. | Nomination | <ul style="list-style-type: none"> i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked. |
| 81. | Transmission of Securities by nominee | A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- <ul style="list-style-type: none"> (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; |

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| | | <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p> |
| DEMATERIALIZATION OF SHARES | | |
| 82. | Dematerialisation of Securities | Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form. |
| JOINT HOLDER | | |
| 83. | Joint Holders | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles. |
| 84. | Joint and several liabilities for all payments in respect of shares. | (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share. |
| | Title of survivors. | (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person; |
| | Receipts of one sufficient. | (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and |
| | Delivery of certificate and giving of notices to first named holders. | (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders. |
| SHARE WARRANTS | | |
| 85. | Power to issue share warrants | The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant. |
| 86. | Deposit of share warrants | <p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p> |
| 87. | Privileges and disabilities of the holders of share warrant | (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at |

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| | | a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company. |
| 88. | Issue of new share warrant coupons | The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction. |
| CONVERSION OF SHARES INTO STOCK | | |
| 89. | Conversion of shares into stock or reconversion. | The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination. |
| 90. | Transfer of stock. | The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. |
| 91. | Rights of stock holders. | The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. |
| 92. | Regulations. | Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively. |
| BORROWING POWERS | | |
| 93. | Power to borrow. | Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose. |
| 94. | Issue of discount etc. or with special privileges. | Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting. |
| 95. | Securing payment or repayment of Moneys borrowed. | The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be. |
| 96. | Bonds, Debentures etc. to be under the control of the Directors. | Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon |

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| | | such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company. |
| 97. | Mortgage of uncalled Capital. | If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. |
| 98. | Indemnity may be given. | Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. |
| MEETINGS OF MEMBERS | | |
| 99. | Distinction between AGM & EGM. | All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings. |
| 100. | Extra-Ordinary General Meeting by Board and by requisition | (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members |
| | When a Director or any two Members may call an Extra Ordinary General Meeting | (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. |
| 101. | Meeting not to transact business not mentioned in notice. | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened. |
| 102. | Chairman of General Meeting | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting. |
| 103. | Business confined to election of Chairman or Vice Chairman whilst chair is vacant. | No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant. |
| 104. | Chairman with consent may adjourn meeting. | a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. |
| 105. | Chairman's casting vote. | In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member. |
| 106. | In what case poll taken without adjournment. | Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith. |
| 107. | Demand for poll not to prevent transaction of other business. | The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. |

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| VOTES OF MEMBERS | | |
| 108. | Members in arrears not to vote. | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien. |
| 109. | Number of votes each member entitled. | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. |
| 110. | Casting of votes by a member entitled to more than one vote. | On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. |
| 111. | Vote of member of unsound mind and of minor | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. |
| 112. | Postal Ballot | Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company. |
| 113. | E-Voting | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. |
| 114. | Votes of joint members. | a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. |
| 115. | Votes may be given by proxy or by representative | Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles |
| 116. | Representation of a body corporate. | A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company. |
| 117. | Members paying money in advance. | (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable. |
| | Members not prohibited if share not held for any specified period. | (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. |

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| 118. | Votes in respect of shares of deceased or insolvent members. | Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof. |
| 119. | No votes by proxy on show of hands. | No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. |
| 120. | Appointment of a Proxy. | Modification of rights- (a 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. |
| 121. | Form of proxy. | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. |
| 122. | Validity of votes given by proxy notwithstanding death of a member. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. |
| 123. | Time for objections to votes. | No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. |
| 124. | Chairperson of the Meeting to be the judge of validity of any vote. | Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. |
| DIRECTORS | | |
| 125. | Number of Directors | Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution |
| 126. | Qualification shares. | A Director of the Company shall not be bound to hold any Qualification Shares in the Company. |
| 127. | Nominee Directors. | <p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information</p> |

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| | | obtained by him/them to the Financial Institution appointing him/them as such Director/s. |
| 128. | Appointment of alternate Director. | The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director. |
| 129. | Additional Director | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting. |
| 130. | Directors power to fill casual vacancies. | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him. |
| 131. | Sitting Fees. | Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof. |
| 132. | Travelling expenses Incurred by Director on Company's business. | The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified. |
| PROCEEDING OF THE BOARD OF DIRECTORS | | |
| 133. | Meetings of Directors. | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. |
| 134. | Chairman and Vice Chairman | a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time. |
| 135. | Questions at Board meeting how decided. | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote. |
| 136. | Continuing directors may act notwithstanding any vacancy in the Board | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose. |
| 137. | Directors may appoint committee. | Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the |

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| | | purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. |
| 138. | Committee Meetings how to be governed. | The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article. |
| 139. | Chairperson of Committee Meetings | a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. |
| 140. | Meetings of the Committee | a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. |
| 141. | Acts of Board or Committee shall be valid notwithstanding defect in appointment. | Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. |
| RETIREMENT AND ROTATION OF DIRECTORS | | |
| 142. | Power to fill casual vacancy | Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid. |
| POWERS OF THE BOARD | | |
| 143. | Powers of the Board | The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. |
| 144. | Certain powers of the Board | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say |
| | To acquire any property , rights etc. | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India. |
| | To take on Lease. | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy. |
| | To erect & construct. | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company. |

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| | To pay for property. | (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. |
| | To insure properties of the Company. | (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power. |
| | To open Bank accounts. | (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit. |
| | To secure contracts by way of mortgage. | (7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit. |
| | To accept surrender of shares. | (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon. |
| | To appoint trustees for the Company. | (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. |
| | To conduct legal proceedings. | (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon. |
| | Bankruptcy & Insolvency | (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency. |
| | To issue receipts & give discharge. | (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company. |
| | To invest and deal with money of the Company. | (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name. |
| | To give Security by way of indemnity. | (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon; |
| | To determine signing powers. | (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise. |
| | Commission or share in profits. | (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such |

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| | | commission or share of profits shall be treated as part of the working expenses of the Company. |
| | Bonus etc. to employees. | (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company. |
| | Transfer to Reserve Funds. | (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper. |
| | To appoint and remove officers and other employees. | (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause. |
| | To appoint Attorneys. | (20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. |
| | To enter into contracts. | (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and |

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| | | execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient. |
| | To make rules. | (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees. |
| | To effect contracts etc. | (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company. |
| | To apply & obtain concessions licenses etc. | (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests. |
| | To pay commissions or interest. | (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents. |
| | To redeem preference shares. | (26) To redeem preference shares. |
| | To assist charitable or benevolent institutions. | (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise. |
| | | (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act. |
| | | (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise. |
| | | (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. |

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| | | <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p> |
| MANAGING AND WHOLE-TIME DIRECTORS | | |
| 145. | Powers to appoint Managing/ Whole-time Directors. | <p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p> |
| 146. | Remuneration of Managing or Whole-time Director. | The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes. |
| 147. | Powers and duties of Managing Director or Whole-time Director. | <p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to</p> |

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| | | do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. |
| CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER | | |
| 148. | Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer | <p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may 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;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p> |
| THE SEAL | | |
| 149. | The seal, its custody and use. | <p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p> |
| 150. | Deeds how executed. | The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. |
| DIVIDEND AND RESERVES | | |
| 151. | Division of profits. | <p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p> |
| 152. | The company in General Meeting may declare Dividends. | The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting. |
| 153. | Transfer to reserves | <p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> |
| 154. | Interim Dividend. | Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company. |

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| 155. | Debts may be deducted. | The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. |
| 156. | Capital paid up in advance not to earn dividend. | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share. |
| 157. | Dividends in proportion to amount paid-up. | All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly. |
| 158. | Retention of dividends until completion of transfer under Articles . | The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same. |
| 159. | No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof. | No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company. |
| 160. | Effect of transfer of shares. | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer. |
| 161. | Dividend to joint holders. | Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share. |
| 162. | Dividends how remitted. | <p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> |
| 163. | Notice of dividend. | Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. |
| 164. | No interest on Dividends. | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company. |
| CAPITALIZATION | | |
| 165. | Capitalization. | <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p> |
| 166. | Fractional Certificates. | (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — |

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| | | <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p> |
| 167. | Inspection of Minutes Books of General Meetings. | <p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p> |
| 168. | Inspection of Accounts | <p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p> |
| FOREIGN REGISTER | | |
| 169. | Foreign Register. | The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers. |
| DOCUMENTS AND SERVICE OF NOTICES | | |
| 170. | Signing of documents & notices to be served or given. | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed. |
| 171. | Authentication of documents and proceedings. | Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company. |
| WINDING UP | | |
| 172. | | <p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> |

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| | | (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. |
| INDEMNITY | | |
| 173. | Directors' and others right to indemnity. | Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court. |
| 174. | Not responsible for acts of others | Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty. |
| SECRECY | | |
| 175. | Secrecy | (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained. |
| | Access to property information etc. | (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate. |

SECTION X - 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 Prospectus which are or may be deemed material have been entered into by our Company. These contracts, copies of which were attached to the copy of the Red Herring Prospectus, were delivered to the ROC for registration/submission of the Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company and on our website at www.focasstudio.in, from date of filing of the Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

1. Material Contracts for the Issue

- (i). Issue Agreement dated April 6, 2024 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated April 6, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated April 18, 2024 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated March 7, 2024 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated August 8, 2024 executed between our Company, Book Running Lead Manager and Syndicate Member.
- (vi). Banker to the Issue Agreement dated August 8, 2024 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated August 8, 2024 between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated August 8, 2024 amongst our Company and the Underwriters.

2. Material Documents

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated January 12, 2024 under the Companies Act, 2013 issued by Registrar of Companies, Central Registration Centre.
- (iii) Certificate of incorporation dated April 5, 2024, issued under the Companies Act, 2013 by the Registrar of Companies, Central Processing Centre, pursuant to conversion of our Company into a public limited company.
- (iv) The resolution passed by the Board of Directors at its meeting held on April 5, 2024 and the resolution passed by the Shareholders of the Company in EGM held on April 6, 2024 authorizing the Issue.
- (v) Resolution of the Board of Directors of the Company dated June 1, 2024, taking on record and approving the Draft Red Herring Prospectus.
- (vi) Resolution of the Board of Directors of the Company dated August 8, 2024, taking on record and approving Red Herring Prospectus.
- (vii) Resolution of the Board of Directors of the Company dated August 22, 2024, taking on record and approving this Prospectus.
- (viii) The examination report dated April 6, 2024 issued by the Statutory Auditor, on our Company's Restated Financial Statements, included in this Prospectus.
- (ix) Copies of the Audited Financial Statements of our Company for the Fiscals 2023 and 2022 and 2021 and for the period ended February 29, 2024.
- (x) Consent of the Promoters, Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Banker to the Issue, Market Maker, Underwriter and Syndicate Members as referred to in their specific capacities.

- (xi) Consent letter dated April 6, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated April 6, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated April 6, 2024 included in this Prospectus.
- (xii) Certificate on Key Performance Indicators (KPI's) issued by Statutory Auditor dated April 8, 2024.
- (xiii) In principle listing approval dated July 31, 2024 issued by National Stock Exchange of India Limited.
- (xiv) Due Diligence Certificate dated August 8, 2024, issued by the BRLM.

Any of the contracts or documents mentioned in this 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, 2013 and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS AND CFO OF OUR COMPANY

Sd/-

Sd/-

Sailesh Agarwal
(Managing Director)

Sourav Agarwal
(Whole- time Director and Chief Financial Officer)

Sd/-

Sd/-

Altab Uddin Kazi
(Independent Director)

Hitu Gambhir Mahajan
(Independent Director)

Sd/-

Amit Rathi
(Independent Director)

SIGNED BY THE CS OF OUR COMPANY

Sd/-

Sangita Kumari Agarwal
(Company Secretary & Compliance Officer)

Place: Kolkata
Date: August 22, 2024