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3B FILMS LIMITED  
CIN: U25200GJ2014PLC080685

(Please scan this QR Code to view the Addendum)

Our Company was originally incorporated as “3B Films Private Limited” a private limited company under the Companies Act, 2013 with the Registrar of Companies (“ROC”), Gujarat pursuant to Certificate of Incorporation dated September 03, 2014. Our Company was converted into Public Limited Company pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on July 01, 2024 and consequently upon conversion name of company was changed to “3B Films Limited” vide fresh certificate of incorporation issued by the Central Processing Centre, Manesar. The CIN of the Company is U25200GJ2014PLC080685. For further details please refer to the chapter titled “History and Corporate Structure” beginning on Page No.130 of this Draft Prospectus.

**Registered Office:** SF 220, Pancham Icon, Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007s

**Corporate Office:** Block No 1241, 1242, 1243, 1244, Padra Jambusar Highway, Masar, Padra, Vadodara, Gujarat, India, 391421

**Telephone:** +91-6359 632600 ; **Email:** [cs@3bfilms.com](mailto:cs@3bfilms.com) ; **Website:** [www.3bfilms.com](http://www.3bfilms.com);

**Contact Person:** Janki Raj, Company Secretary and Compliance Officer;

**PROMOTERS OF OUR COMPANY: ASHOKBHAI DHANJIBHAI BABARIYA, MUKESH DHANJIBHAI BABARIYA, GULABBEN NITIN BABARIYA AND DISHANK NITIN BABARIYA**

**ADDENDUM TO THE DRAFT PROSPECTUS: NOTICE TO THE INVESTORS (“THE ADDENDUM”)**



INITIAL PUBLIC OFFER OF UP TO 69,70,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF 3B FILMS LIMITED (THE “COMPANY” OR “3B FILMS” OR “OFFERER” OR “ISSUER”) AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKH (“PUBLIC OFFER”) COMPRISING A FRESH OFFER OF UP TO 37,70,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE “FRESH OFFER”) AND AN OFFER FOR SALE OF UP TO 32,00,000 EQUITY SHARES BY ASHOKBHAI DHANJIBHAI BABARIYA , MUKESH DHANJIBHAI BABARIYA, AND GULABBEN NITIN BABARIYA, (COLLECTIVELY REFERRED TO AS THE “PROMOTER SELLING SHAREHOLDERS / SELLING SHAREHOLDERS”) AGGREGATING TO ₹ [●] LAKH (“OFFER FOR SALE”) OUT OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKH IS HEREINAFTER REFERRED TO AS THE “NET OFFER”. THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “TERMS OF THE OFFER” BEGINNING ON PAGE NO. 182 OF THIS DRAFT PROSPECTUS.

Potential Applicants may note the following: The Draft Prospectus including the sections titled “Summary of Offer Document” and “Objects of the offer” Beginning On pages 22 and 72 respectively of the Draft Prospectus shall be appropriately updated to reflect the developments indicated in this Addendum, as and when they are filed with the RoC and the Stock Exchanges.

The changes in this Addendum are to be read in conjunction with the Draft Prospectus and accordingly the corresponding references in the Draft Prospectus stand updated pursuant to this Addendum. The information in this Addendum supplements the Draft Prospectus and updates the information in the Draft Prospectus, as applicable. However, this Addendum does not reflect all the changes that have occurred between the date of filing of the Draft Prospectus and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Prospectus. Please note that the information included in the Draft Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable, in the Prospectus, as and when filed with the RoC and the Stock Exchanges. Investors should not rely on the Draft Prospectus or this Addendum for any investment decision, and should read the Prospectus, as and when it is filed with the RoC and the Stock Exchanges before making an investment decision with respect to the Offer. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

For 3B Films Limited  
On behalf of the Board of Directors  
Sd/-  
Mr. Ashok Babariya  
Managing Director  
DIN: 03363509

Date: February 27, 2025  
Place: Vadodara

LEAD MANAGER	REGISTRAR TO THE OFFER
	
<p><b>Nirbhay Capital Services Private Limited</b>  <b>CIN: U67120GJ2006PTC047985</b>  <b>Address: 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad 380054, Gujarat, India.</b>  <b>Tel. No.: +91 79 48970649, M. No.: +91 9825052071 Fax No.: N.A.</b>  <b>Email: <a href="mailto:kunj@nirbhaycapital.com">kunj@nirbhaycapital.com</a></b>  <b>Investor Grievance Email: <a href="mailto:ipo@nirbhaycapital.com">ipo@nirbhaycapital.com</a></b>  <b>Website: <a href="http://www.nirbhaycapital.com">www.nirbhaycapital.com</a></b>  <b>Contact Person: Mr. Kunjal Soni</b>  <b>SEBI Registration Number.: INM000011393</b></p>	<p><b>Maashitla Securities Private Limited</b>  <b>CIN: U67100DL2010PTC208725</b>  <b>451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India</b>  <b>Telephone: 011-45121795</b>  <b>Email: <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a></b>  <b>Investor Grievance e-mail: <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a></b>  <b>Website: <a href="http://www.maashitla.com">www.maashitla.com</a></b>  <b>Contact Person: Mr. Mukul Agarwal</b>  <b>SEBI registration number: INR000004370</b></p>
ISSUE PROGRAMME	
<b>BID/ISSUE OPENS ON: [●]*</b>	<b>BID/ISSUE CLOSES ON: [●]*</b>

\* UPI mandate end time and date shall be 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)*

## SECTION II – SUMMARY OF OFFER DOCUMENT

The following insertions and/or amendments are carried out in the Section II: Summary of Offer Document:

**The Figures under the sub-head Summary of Financial Information appearing on page no. 23 of the Draft Prospectus shall be replaced with following figures:**

### **8. Summary of Financial Information**

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

(₹ in lacs)

S. No.	Particulars	July 31, 2024*	March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	2,122.00	2,122.00	2,122.00	2,122.00
2.	Net Worth	3,254.88	3,092.08	2,662.91	2,571.14
3.	Revenue from operations	1,613.40	7,574.89	7,179.90	6,737.79
4.	Profit after Tax	162.80	429.17	91.76	-34.46
5.	Earnings per Share	0.77	2.02	0.43	-0.16
6.	Net Asset Value per equity share	15.34	14.57	12.55	12.12
7.	Total borrowings	9,642.79	10,655.12	9,855.76	9,933.37

\*Not annualised

For further details, please refer to the section titled “Restated *Financial Information*” beginning on Page No. 153 of the Draft Prospectus.

**The following information shall be amended and /or updated and/or added under the sub-head Summary of Financial Information appearing on page no. 23 of the Draft Prospectus which is as follow:**

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

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

*(The remainder of this page is intentionally left blank)*



## SECTION IV - INTRODUCTION OBJECTS OF THE OFFER

**The following information shall be amended and /or updated and/or added under the chapter titled “Object to the Issue” under the title “Means of Finance” on Page 73 of the Draft Prospectus:**

*The entire fund requirement is to be funded from the proceeds of the Offer, internal accruals, capital/reserves and existing borrowings, 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 amounts to be raised through the proposed Offer.*

**The following information shall be amended and /or updated and/or added under the chapter titled “Object to the Issue” under the title “Working Capital Requirements” on Page 76 of the Draft Prospectus:**

### 1. Working Capital Requirements

We propose to utilise upto ₹ 715 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in the financial year 2025-26 in the ordinary course of business. We have significant working capital requirements, and in the ordinary course of business, we fund our working capital needs through internal accruals and short term borrowings from banks and financial institutions. Our Company, in order to support its incremental business requirements, funding growth opportunities and for other strategic, business, and corporate purposes requires additional working capital and such funding is expected to lead to a consequent increase in our revenues and profitability.

**The following information shall be amended and /or updated and/or added under the chapter titled “Object to the Issue” under the title “Working Capital Requirements” on Page 77 of the Draft Prospectus:**

#### Expected working capital requirements:

The estimated working capital requirements for the Financial Year ended March 31, 2025 and March 31, 2026 have been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management’s action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, our Board pursuant to its resolution dated September 12, 2024 has approved the projected working capital requirements for Financial Year ended March 31, 2025 and March 31, 2026 with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below: The balance portion of our working capital requirement, if any will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions.

(Amount in Lakhs)

Sr. No.	Particulars	As at March 31, 2026 (Estimated)*	As at March 31, 2025 (Projected)*
<b>I</b>	<b>Current assets</b>		
	Inventories	6462.59	5246.28
	Trade receivables	1476.76	1278.82
	Short Term Loans & Advances	12.60	12.00
	Other Assets	44.99	125.22
	<b>Total Current Assets (A)</b>	<b>7996.94</b>	<b>6662.31</b>
<b>II</b>	<b>Current liabilities</b>		
	Trade payables	900.41	616.32
	Other Current Liabilities	200.00	150.00
	Short term provisions	67.58	61.43
	<b>Total current liabilities (B)</b>	<b>1167.99</b>	<b>827.76</b>
	<b>Net working capital (A – B)</b>	<b>6828.95</b>	<b>5834.56</b>
<b>III</b>	<b>Sources of funds</b>		
	Short term borrowings from banks	2300.00	2300.00
	Internal accruals	3813.95	3534.56
	IPO proceeds	715.00	0.00
	<b>Total Means of Finance</b>	<b>6828.95</b>	<b>5834.56</b>

\*The projected working capital requirement as at March 31, 2025 and March 31, 2026 and source of funding has been certified by our Statutory Auditors, M/s A O Mittal & Associates, Chartered Accountants.

## SECTION VI – FINANCIAL INFORMATION

### RESTATED FINANCIAL INFORMATION

The following insertions and/or updates are carried out in the Section VI: Financial Information and under the Chapter titled Restated Financial Information.

Sr. No.	Particulars	Page Nos.
1.	Report of the Independent Auditor on the Restated Financial Statements	AR-1 to AR-04
2.	Restated Financial Information	FS-01 to FS-35

### RESTATED FINANCIAL STATEMENTS

#### Report of the Independent Auditor on the Restated Financial Statements of 3B FILMS Limited

for the years ended on 31<sup>st</sup> March, 2022, 31<sup>st</sup> March, 2023, 31<sup>st</sup> March, 2024 and 31<sup>st</sup> July, 2024  
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
The Board of Directors,  
3B Films Limited  
Vadodara

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of **3B Films Limited (the "Company")** as at 31<sup>st</sup> July, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial period / year ended on 31<sup>st</sup> July, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 (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 SME Platform of Bombay Stock Exchange.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Part I of Chapter III to the Companies Act, 2013 ("**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The terms of reference to our engagements with the Company letter dated 1<sup>st</sup> July, 2024, requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of Bombay Stock Exchange ("**IPO**" or "**SME IPO**"); and
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India to the extent applicable ("**Guidance Note**").
3. This Restated Summary Statements of the Company have been extracted by the Management from the Audited Financial Statements of the Company for the period ended on 31<sup>st</sup> July, 2024 and financial years ended on 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.
4. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

The "**Restated Statement of Assets and Liabilities**" as set out in **Annexure 1** to this report, of the Company as 31<sup>st</sup> July, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 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 individual financial



**Head Office (Jaipur) :** A - 459, First Floor, Adarsh Path, Vidyut Nagar, Ajmer Road, Jaipur, Rajasthan, 302021

**Over Branches :** Ahmedabad, Chennai, Gurugram, Jammu, Kolkata, Nagpur, Raipur, Sikar, Vadodara

**Website :** www.aomittal.com

**Contact No. :** (0141) 6768374

**E Mail :** office@aomittal.com



statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies to the Restated Summary Statements set out in **Annexure 4A to B** to this Report and Reconciliation of Restated Profits with Explanatory Notes thereon as set out in **Annexure 4** to this Report. As a result of these adjustments, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the Audited Financial Statements of the Company for the relevant period / financial years.

- (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure 2** to this report, of the Company for the financial period / year ended on 31<sup>st</sup> July, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies to the Restated Summary Statements set out in **Annexure 4A to B** to this Report and Reconciliation of Restated Profits with Explanatory Notes thereon as set out in **Annexure 4** to this Report.
- (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure 3** to this report, of the Company for the financial period/year ended on 31<sup>st</sup> July, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 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 individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies to the Restated Summary Statements set out in **Annexure 4A to B** to this Report and Reconciliation of Restated Profits with Explanatory Notes thereon as set out in **Annexure 4** to this Report.
5. 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 years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
  - 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.
  - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on 31<sup>st</sup> July, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 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 Restated Summary Statements as set out in **Annexure 4A to B** to this report.
  - f) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement.
  - g) The related party transaction for purchase & sales of services entered by the company are at arm's length.
  - h) The Company has not paid any dividend since its incorporation.
6. We have also examined the following financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on 31<sup>st</sup> July, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup>





March, 2023 and 31<sup>st</sup> March, 2022 proposed to be included in the Draft Prospectus/Prospectus (“Offer Document”)

Restated Statement of Assets and Liabilities	Annexure-1
Restated Statement of Profit and Loss	Annexure-2
Restated Statement of Cash Flow	Annexure-3
Notes to Restatement	Annexure-4A & B
Statement of Notes to the Restated Financial Information	Annexure-4C to H
Restated Statement of Share Capital	Annexure-5
Restated Statement of Reserves & Surplus	Annexure-6
Restated Statement of Long Term/Short Term Borrowings	Annexure-7
Restated Deferred Tax Assets/Liabilities	Annexure-8
Restated Statement of Other Long-term Liabilities	Annexure-9
Restated Statement of Provisions	Annexure-10
Restated Statement of Trade Payables	Annexure-11
Restated Statement of Other Current Liabilities	Annexure-12
Restated Statement of Property, Plant and Equipment	Annexure-13
Restated Statement of Non-Current Investments	Annexure-14
Restated Statement of Loans and Advances	Annexure-15
Restated Statement of Other Assets	Annexure-16
Restated Statement of Inventories	Annexure-17
Restated Statement of Trade Receivables	Annexure-18
Restated Statement of Cash and Cash Equivalents	Annexure-19
Restated Statement of Revenue from Operations	Annexure-20
Restated Statement of Other Income	Annexure-21
Restated Statement of Cost of Material Consumed	Annexure-22
Restated Statement of Purchase of Stock in Trade	Annexure-23
Restated Statement Changes in Inventory of Stock in trade	Annexure-24
Restated Statement of Employee Benefit Expenses	Annexure-25
Restated Statement of Finance Costs	Annexure-26
Restated Statement of Other Expenses	Annexure-27
Restated Statement of Accounting and Other Ratios	Annexure-28
Restated Statement of Tax Shelter	Annexure-29
Restated Statement of Capitalization	Annexure-30
Restated Statement of Related Party Transaction	Annexure-31
Restated Statement of Additional Notes	Annexure-32
Restated Statement of Ratios	Annexure-33

7. We, **A O Mittal & Associates**, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
8. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.



9. 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.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Trendy our opinion, the above financial information contained in Annexure 1 to 33 of this report read with the respective Significant Accounting Policies as set out in Annexure 4A & B and Reconciliation of Restated Profits with Explanatory Notes thereon as set out in Annexure 4 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.
12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For, A O Mittal & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 014640C  
Peer Review No. 015807

*Shesha*  
**CA Shesha Soni**  
Partner  
Membership No. 542840  
UDIN: 24542840BKXBZG8470  
Date: 12<sup>th</sup> September, 2024  
Place: Vadodara



**DRAFT PROSPECTUS**Dated: **November 12, 2024**

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

(This Draft Prospectus will be updated upon filing with the RoC)

Fixed Price Offer

(Please scan this QR code to view the DP)

**3B FILMS LIMITED****Corporate Identification Number: U25200GJ2014PLC080685**

REGISTERED OFFICE & CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
<b>Registered Office:</b> SF 220, Pancham Icon, Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007  <b>Corporate Office:</b> Block No 1241, 1242, 1243, 1244, Padra Jambusar Highway, Masar, Padra, Vadodara, Gujarat, India, 391421	Ms. Janki Raj Company Secretary and Compliance Officer	<b>Tel:</b> +91-6359 632600 <b>Email:</b> <a href="mailto:cs@3bfilms.com">cs@3bfilms.com</a>	<a href="http://www.3bfilms.com">www.3bfilms.com</a>

**PROMOTERS OF OUR COMPANY: ASHOKBHAI DHANJIBHAI BABARIYA, MUKESH DHANJIBHAI BABARIYA, GULABBEN NITIN BABARIYA AND DISHANK NITIN BABARIYA**

**DETAILS OF THE OFFER**

TYPE	FRESH OFFER SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹ LAKHS)	OFS* SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹ LAKHS)	TOTAL OFFER SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹ LAKHS)	ELIGIBILITY
Fresh Offer and Offer for Sale	Up to 37,70,000 equity shares of face value of ₹ 10/- each ("Equity Shares") aggregating up to ₹ [●] Lakhs	Up to 32,00,000 Equity Shares aggregating to ₹ [●] Lakhs	Up to 69,70,000 equity shares of face value of ₹ 10/- each ("Equity Shares") aggregating up to ₹ [●] Lakhs	This issue is being made in terms of Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 as amended

\*OFS: Offer for Sale

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

NAME	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT IN ₹ LAKH	WEIGHTAGE AVERAGE COST OF ACQUISITION IN ₹ PER EQUITY SHARE ON FULLY DILUTED BASIS *
Ashokbhai Dhanjibhai Babariya	Promoter	Up to 10,70,000 Equity Shares, aggregating up to ₹ [●] Lakhs.	[●]
Mukesh Dhanjibhai Babariya	Promoter	Up to 10,65,000 Equity Shares, aggregating up to ₹ [●] Lakhs.	[●]
Gulabben Nitin Babariya	Promoter	Up to 10,65,000 Equity Shares, aggregating up to ₹ [●] Lakhs.	[●]

**RISKS IN RELATION TO THE FIRST OFFER**

This being the first public offer 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 Offer Price is [●] times of the face value of the Equity Shares. The Offer Price determined and justified by our Company and Selling Shareholders, in consultation with the Lead Manager, as stated under "Basis for Offer Price" on page 81 and 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 RISK		
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this offer 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 offer. For taking an investment decision, investors must rely on their own examination of our Company and the offer including the risks involved. The Equity Shares issued in the offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 28 of this Draft Prospectus.		
OFFERER’S ABSOLUTE RESPONSIBILITY		
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this offer, which is material in the context of this offer, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect..		
LISTING		
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) 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 [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of the BSE. For the purpose of this Offer, the Designated Stock Exchange will be BSE Limited (“BSE”).		
LEAD MANAGER: NIRBHAY CAPITAL SERVICES PRIVATE LIMITED		
NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
 <b>NIRBHAY CAPITAL SERVICES PRIVATE LIMITED</b>	<b>Mr. Kunjal Soni</b>	<b>Telephone:</b> +91 79 26870649 <b>E-mail:</b> <a href="mailto:kunjal@nirbhaycapital.com">kunjal@nirbhaycapital.com</a>
REGISTRAR TO THE OFFER: MAASHITLA SECURITIES PRIVATE LIMITED		
NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
 <b>MAASHITLA SECURITIES PRIVATE LIMITED</b>	<b>Mr. Mukul Agarwal</b>	<b>Telephone:</b> 011-45121795 <b>E-mail:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a>
BID/ OFFER PERIOD		
<b>BID/OFFER OPENS ON: [●]*</b>	<b>BID/OFFER CLOSES ON: [●]*</b>	

\*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date



**DRAFT PROSPECTUS**Dated: **November 12, 2024***(Please read section 26 and 32 of the Companies Act, 2013)  
(This Draft Prospectus will be updated upon filing with the RoC)*

Fixed Price Offer

(Please scan this QR code to view the DP)

**3B FILMS LIMITED**

Our Company was originally incorporated as “3B Films Private Limited” a private limited company under the Companies Act, 2013 with the Registrar of Companies (“ROC”), Gujarat pursuant to Certificate of Incorporation dated September 03, 2014. Our Company was converted into Public Limited Company pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on July 01, 2024 and consequently upon conversion name of company was changed to “3B Films Limited” vide fresh certificate of incorporation issued by the Central Processing Centre, Manesar. The CIN of the Company is U25200GJ2014PLC080685. For further details please refer to the chapter titled “History and Corporate Structure” beginning on Page No.130 of this Draft Prospectus.

**Registered Office:** SF 220, Pancham Icon, Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007

**Corporate Office:** Block No 1241, 1242, 1243, 1244, Padra Jambusar Highway, Masar, Padra, Vadodara, Gujarat, India, 391421

**Telephone:** +91-6359 632600 ; **Email:** [cs@3bfilms.com](mailto:cs@3bfilms.com) ; **Website:** [www.3bfilms.com](http://www.3bfilms.com);

**Contact Person:** Janki Raj, Company Secretary and Compliance Officer;

**PROMOTERS OF OUR COMPANY: ASHOKBHAI DHANJIBHAI BABARIYA , MUKESH DHANJIBHAI BABARIYA, GULABBEN NITIN BABARIYA AND DISHANK NITIN BABARIYA**

**INITIAL PUBLIC OFFER OF UP TO 69,70,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF 3B FILMS LIMITED (THE “COMPANY” OR “3B FILMS” OR “OFFERER” OR “ISSUER” ) AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKH (“PUBLIC OFFER”) COMPRISING A FRESH OFFER OF UP TO 37,70,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE “FRESH OFFER”) AND AN OFFER FOR SALE OF UP TO 32,00,000 EQUITY SHARES BY ASHOKBHAI DHANJIBHAI BABARIYA , MUKESH DHANJIBHAI BABARIYA, AND GULABBEN NITIN BABARIYA, (COLLECTIVELY REFERRED TO AS THE “PROMOTER SELLING SHAREHOLDERS / SELLING SHAREHOLDERS”) AGGREGATING TO ₹ [●] LAKH (“OFFER FOR SALE”) OUT OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKH IS HEREINAFTER REFERRED TO AS THE “NET OFFER”. THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “TERMS OF THE OFFER” BEGINNING ON PAGE NO. 182 OF THIS DRAFT PROSPECTUS.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE OFFER PRICE IS [●]TIMES OF THE FACE VALUE**

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED. IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE “OFFER PROCEDURE” ON PAGE 190 OF THE DRAFT PROSPECTUS.

*All potential investors shall participate in the Offer through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Offer Procedure” on page 190 of this Draft Prospectus. A copy of Prospectus will be 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 “Offer Procedure” beginning on Page No. 190 of this Draft Prospectus.

**RISKS IN RELATION TO THE FIRST ISSUE**

"This being the first offer, there has been no formal market for the securities of the issuer. The face value of the equity shares is Rs. 10/- and the Offer Price is ₹ [●] per Equity Share and the Offer Price is [●] times of the face value. The Offer price as determined by our Company and Selling Shareholders in consultation with the Lead Manager as stated in the chapter titled on “Basis for Offer Price” beginning on page 81 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the issuer nor regarding the price at which the equity shares will be traded after listing."

**GENERAL RISK**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares issued in the Offer have not been recommended or approved by the Securities and Exchange Board of

India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited of the section titled “*Risk Factors*” beginning on Page No. 28 of this this Draft Prospectus.

#### OFFERER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) 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 [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of the BSE. For the purpose of this Offer, the Designated Stock Exchange will be BSE Limited (“BSE”).

#### LEAD MANAGER

#### REGISTRAR TO THE OFFER



**Nirbhay Capital Services Private Limited**  
CIN: U67120GJ2006PTC047985  
Address: 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad 380054, Gujarat, India.  
Tel. No.: +91 79 48970649, M. No.: +91 9825052071 Fax No.: N.A.  
Email: [kunj@nirbhaycapital.com](mailto:kunj@nirbhaycapital.com)  
Investor Grievance Email: [ipo@nirbhaycapital.com](mailto:ipo@nirbhaycapital.com)  
Website: [www.nirbhaycapital.com](http://www.nirbhaycapital.com)  
Contact Person: Mr. Kunjal Soni  
SEBI Registration Number: INM000011393

**Maashitla Securities Private Limited**  
CIN: U67100DL2010PTC208725  
451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi -110034, India  
Telephone: 011-45121795  
Email: [ipo@maashitla.com](mailto:ipo@maashitla.com)  
Investor Grievance e-mail: [investor.ipo@maashitla.com](mailto:investor.ipo@maashitla.com)  
Website: [www.maashitla.com](http://www.maashitla.com)  
Contact Person: Mr. Mukul Agarwal  
SEBI registration number: INR000004370

#### ISSUE PROGRAMME

**BID/ISSUE OPENS ON: [●]\***

**BID/ISSUE CLOSES ON: [●]\***

\* UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

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Pursuant to Schedule VI of SEBI (ICDR) Regulations, 2018**

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

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, the terms used in **“Industry Overview”, “Key Regulations and Policies”, “Statement of Special Tax Benefits”, “Financial Information”, “Basis for Offer Price”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association”** beginning on pages 90, 124, 87, 153, 81, 167 and 221 respectively, shall have the meaning ascribed to them in the relevant section.

### **GENERAL AND COMPANY RELATED TERMS**

Term	Description
“Company”, “our Company”, “the Company”, “the Offerer”, “3B” / “the Issuer Company” “we”, “us”, “our” / “3B Films”	3B Films Limited (formerly known as 3B Films Private Limited), a public limited company incorporated in India under the Companies Act, 2013 having its registered office at SF 220 Pancham Icon Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007.
Our Promoters	Mr. Ashokbhai Dhanjibhai Babariya, Mr. Mukesh Dhanjibhai Babariya, Mr. Gulabben Nitin Babariya and Mr. Dishank Nitin Babariya
Promoters’ 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 <b>“Our Promoter and Promoter Group”</b> on page 143 of this Draft Prospectus.
You or Your or Yours	Prospective Investors in the Issue

### **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 <b>“Our Management”</b> on page 133 of this Draft Prospectus.
Auditor/ Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, M/s. A O Mittal & Associates Chartered Accountants.
Bankers to the Company	Central Bank of India and Bank of Baroda.
Board of Directors/ Board/BOD	The Board of Directors of 3B Films Limited unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
Corporate Office	The corporate office of our Company, at Block No 1241, 1242, 1243, 1244, Padra Jambusar Highway, Masar, Padra, Vadodara, Gujarat, India, 391421.
CIN	Corporate Identification Number of our Company i.e. U25200GJ2014PLC080685.
CMD	Chairman and Managing Director.
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Mr. Dhavalkumar Maheshbhai Panchal.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Janki Raj.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number.
Director(s)	Directors on our Board as described <b>“Our Management”</b> beginning on page 133 of this Draft Prospectus.
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 Directors	Executive Director of the Company.
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.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	INE0TE101010
Key Managerial Personnel / Key Managerial Employees/KMP	Key Managerial Personnel of our company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations, 2018 and Section 2(51) of the companies Act, 2013 as applicable and as further disclosed in the section titled <b>“Our Management”</b> on page 133 of this Draft Prospectus.

Term	Description
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on June 28, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
MD/Managing Director	The Managing Director of our Company is Mr. Ashokbhai Dhanjibhai Babariya
MOA/ 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, 1999.
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 <b>“Our Management”</b> on page 133 of this Draft 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.
Promoters or Our Promoters	The Promoters of our company, being Mr. Ashokbhai Dhanjibhai Babariya, Mr. Mukesh Dhanjibhai Babariya, Mrs. Gulabben Nitin Babariya and Mr. Dishank Nitin Babariya. For details, refer section titled <b>“Our Promoter and Promoter Group”</b> on page 143 of this Draft Prospectus.
Promoter Group or Members of our Promoter Group	Person and entities constituting the promoter group of our company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in <b>“Our Promoter and Promoter Group”</b> on page 143 of this Draft Prospectus.
Registered Office	SF -220, Pancham Icon, Besides Vasna D-Mart, Vasna Road, Vadodara, Gujarat, India-390007
Restated Financial Information/Restated Financial Statements	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the period ended on July 31, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and 2022 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, Ahmedabad, Gujarat.
Shareholders	Shareholders of our company.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013 and Listing Regulations. For details refer section titled <b>“Our Management”</b> on page 133 of this Draft Prospectus.
Whole-time Director/WTD	Whole-time director(s) on our Board is Mr. Dishank Nitin Babariya, as described in <b>“Our Management”</b> , beginning on page 133 of this Draft Prospectus.

## **OFFER RELATED TERMS**

Term	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of 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.
Allocation” or “Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Bidders by our company.
Allotment	Issue of the Equity Shares pursuant to the offer to the successful applicants.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Offer pursuant to successful Bidders.
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.
Allottee(s)	The successful applicant to whom the Equity Shares are being/have been allotted.
Applicant	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an offer during the Offer Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Offer Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
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 Applicant	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by ASBA Bidder.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Offer who apply(ies) through the ASBA process.



Term	Description
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Draft Prospectus
Banker(s) to the Offer	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Offer Account will be opened, in this case being [●].
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Offer and which is described in paragraph titled 'Basis of allotment' under chapter titled <b>"Offer Procedure"</b> starting from page no. 190 of this Draft Prospectus.
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of the Draft Prospectus.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft 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 this Draft Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Circular on Streamlining of Public Issues/ UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Master circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
Collection Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Offer with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, in terms of the Draft Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries/ Collecting agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ), as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at



Term	Description
	<a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited (“BSE SME”)
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Market Maker / Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
DP ID	Depository Participant’s identity number.
Draft Prospectus/DP	This Draft Prospectus dated November 12, 2024 issued in accordance with Section 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Application Form and the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Application Form and the Draft Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Offer and in relation to whom the Draft Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Shares	Equity Shares of our Company of face value Rs. 10/- each
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Offer, the Lead Manager and Banker to the Offer and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Offer pursuant to Escrow and Sponsor Bank Agreement.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an Offer under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●].
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered 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.
Fresh offer	The Fresh Offer of Up to 37,70,000 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Lead Manager.
GIR Number	General Index Registry Number
Offer Agreement	The agreement dated August 16, 2024 amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Period	The periods between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Offer Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager under the Draft Prospectus and the Prospectus being ₹ [●] per share.
Offer Proceeds	The proceeds of the Offer shall be available to our Company. For further information about the use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” beginning on page 72.
Offer Opening	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Offer, which shall be the date notified in an English national newspaper, Hindi national newspaper and Gujarati regional newspaper, Gujarati being the regional language, where our company is situated each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Offer Closing	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Offer, which shall be notified in a English national newspaper, Hindi national newspaper and Gujarati regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Offer / Offer Size/ Initial Public Offer / Initial	Initial Public Offering up to 69,70,000 equity shares of Rs. 10/- each (“equity shares”) of 3B Films Limited (“Company”) For cash at a price of Rs. [●] /- per equity share (The “Offer Price”), Aggregating to Rs. [●] Lakhs

Term	Description
Public Offering/ IPO / Public Offer	("The Offer"), comprising a fresh Offer of up to 37,70,000 Equity Shares Aggregating to Rs. [●] Lakhs by our company ("fresh Offer") and an offer for sale of up to 32,00,000 equity shares by upto 10,70,000 by Mr. Ashokbhai Dhanjibhai Babariya, upto 10,65,000 Equity Shares by Mukesh Dhanjibhai Babariya and upto 10,65,000 equity shares by Gulabben Nitin Babariya ("selling shareholders") aggregating to Rs. [●] Lakhs ("Offer for Sale").
Offer Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being ₹ [●]/- (including share premium of ₹ [●]/- per Equity Share).
Lead Manager/ LM	The Lead Manager to the Offer, being Nirbhay Capital Services Private Limited.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the [●].
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager, Selling Shareholders and our Company dated [●].
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Mutual Fund Portion	5% of the Net QIB Portion (other than anchor allocation), or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the "Offer Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●].
Net Proceeds	The proceeds from the Offer less the Offer related expenses applicable to the Offer. For further information about use of the Offer Proceeds and the Offer expenses, see " <i>Objects of the Offer</i> " on page 72.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors/ Non-Institutional Bidders/ NIB's	All Applicants that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
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).
Non Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Offer, after retail portion, being not more than 50% of the Net Offer which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
Pay-in-Period	The period commencing on the Bid/ Offer Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the LM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation at least two working days prior to the Bid / Offer Opening Date.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer opening and closing dates, the size of the Offer and certain other information.
Public Offer Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Pricing Date	The date on which our Company, in consultation with the Managers, will finalise the Offer Price.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)/Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Registrar Agreement	The agreement dated September 03, 2024 among our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar to the Offer / Registrar	Registrar to the Offer being Maashitla Securities Private Limited.
Retail Individual Investor(s)/ RII(s)	Individual Applicants, who have applied for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)

Term	Description
Retail Portion	The portion of the Offer being not less than 50 % of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion and remaining Equity Shares to be allotted on a proportionate basis.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Applications during the Offer Period and withdraw their Applications until Offer Closing Date
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Offer reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
SEBI Master Circular	The SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.
Self-Certified Syndicate Bank(s) or SCSB(s)	<p>The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>) respectively, as updated from time to time. 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.</p>
“Senior Management / SMP”	Senior Management of our company in terms of Regulation 2 (1) (bbbb) of the SEBI ICDR Regulation, 2018, as identified in the Chapter titled <b>“Our Management”</b> beginning on page 133.
SME Platform of BSE Limited	The SME Platform of BSE Limited for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as a BSE Limited Emerge on October 14, 2011.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
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 [●]
Stock Exchange	BSE Limited
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.
Underwriting Agreement	The Agreement entered into between the Underwriter, our Company and Selling Shareholders dated [●]
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	<p>Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.</p> <p>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)</p>

Term	Description
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Master circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
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(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Prospectus are open for business :- However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Draft Prospectus are open for business. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

#### Conventional and General Terms and Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BG	Bank Guarantee
BoPP	Biaxially Oriented Polypropylene
BSE SME	The SME platform of BSE Limited
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 II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III 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 FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CBEC	Central Board of Excise and Customs
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIF	Cost, Insurance, and Freight
CIN	Corporate Identification Number
CIP	<i>Carriage and insurance paid to</i>
CIT	Commissioner of Income Tax
CPP	Cast Polypropylene
CPE	Cast Polyethylene
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires

Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
Copyright Act	The Copyright Act, 1957
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the 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
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DTC	Direct Tax Code, 2013
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
Environment Protection Act	Environment Protection Act, 1986
EoGM/ EGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
ESI Act	Employees' State Insurance Act, 1948
EVOH	Ethylene-vinyl alcohol copolymer
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FMCG	Fast Moving Consumer Goods
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FFS	Form-Fill-Seal
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
IMPS	Immediate Payment Service
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
KYC	Know your customer
LIC	Low-Income Country
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
MDO	Machine Direction Orientation



Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
MFI	Melt Flow Index
Minimum Wages Act	Minimum Wages Act, 1948
Mn	Million
MRE	Magnetic Resonance Elastography
MSME	Micro, Small, and Medium Enterprises
MOF	Ministry of Finance, Government of India
MOPE	Machine Direction Oriented PE
MOPP	Mono-oriented polypropylene
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
No.	Number
NOC	No Objection Certificate
NPV	Net Present Value
NR/ Non Residents	Non Resident
NPCI	National Payments Corporation of India
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCB	Overseas Corporate Bodies
OTR	Oxygen Transmission Rate
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
P & M	Plant & Machineries
PAC	Persons Acting in Concert
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PET	Polyethylene Terephthalate
PIO	Person of Indian Origin
PLR	Prime Lending Rate
Pvt. Ltd.	Private Limited
QC	Quality Control
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QMS	Quality Management System
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
ROE	Return on Equity
RoNW	Return on Net Worth
RPG	Report Program Generator
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
SFSP	Standard Fire and Special peril
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SIT	Seal Initiation Temperature
SME	Small and Medium Enterprises
BSE SME	The SME platform of BSE Limited
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
STFI	Storm, Tempest, Flood, and Inundation
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TAN	Tax deduction account number
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
VAT	Value Added Tax
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**

<b><u>Term</u></b>	<b><u>Description</u></b>
COVID-19	Coronavirus Disease
CAGR	Compounding Annual Growth Rate
CAD	Current Account Deficit
CIPET	Central Institute of Plastics Engineering & Technology
CoEs	Centres of Excellence
CPI	Consumer Price Index
DII	Domestic Institutional Investors
EMDE	Emerging Market and Developing Economies
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
FPI	Foreign Portfolio Investors
FRE	First Revised Estimates
GDP	Gross Domestic Product
GST	Goods and Services Tax
HFIs	High Frequency Indicators
HDPE	High density polyethylene
IIP	Index of Industrial Production
IMF	International Monetary Fund

LDPE	Low-density polyethylene
PLEXCONCIL	Plastic Export Promotion Council
PS	Polystyrene/Styrofoam
PP	Polypropylene
PVC	Polyvinyl chloride
PET	Polyethylene terephthalate
RBI	Reserve Bank of India
UAE	United Arab Emirates
U.S.	United States of America
US\$	United States Dollar
YoY	Year over 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 ***“Offer Procedure”*** on pages 221, 87, 90, 124, 153, 167 and 190 respectively of this Draft Prospectus, will have the meaning as described to such terms in these respective sections. 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 ***“Offer Procedure”*** on pages 221, 87, 90, 124, 153, 167 and 190 respectively of this Draft Prospectus, will have the meaning as described to such terms in these respective sections.

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

### Certain Conventions

All references to “India” contained in this Draft 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 Draft Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

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

In this Draft Prospectus, the terms “we”, “us”, “our”, unless the context otherwise indicates or implies, refers to our Company.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “**Financial Information**” on Page No. 154 of this Draft 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 Statements of our Company for the period ending of Four months ending on July 31, 2024 and on Financial Years ended March 2024, 2023 and 2022 which comprise restated statement of assets and liabilities, the restated statement of profit and loss, the restated statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI.

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 Draft 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 Draft 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 Draft Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” on Page Nos. 28, 103 and 158 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all 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. 28, 90 and 103 respectively, this Draft 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
- “USDollars” or “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.
- EURO or “€” are Euro currency.
  - All references to the word ‘Lakhs’ means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million
  - This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate

### Exchange rates

This Draft Prospectus contains conversions of certain other currency amounts into 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			
	As on July 31, 2024	As on March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.32	83.38	82.23	75.91

(Source: RBI reference rate)

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in) )

### **Industry and Market Data**

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

The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are 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 Offer Price**" on Page No. 81 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "**Risk Factors**" on Page No. 28 of this Draft Prospectus.

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## FORWARD - LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “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:

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

For further 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. 28, 103 and 158, respectively, of this Draft 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 Draft Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, 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 Lead Managers 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.

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## SECTION II – SUMMARY OF OFFER DOCUMENT

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 Draft Prospectus, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoter and Promoter Group”, “Financial Information”, “Objects of the Offer”, “Our Business”, “Offer Procedure” and “Description of Equity Shares and Terms of Articles of Association” beginning on Page Nos 28, 90, 167, 143, 154, 72, 103, 190 and 221 respectively of this Draft Prospectus.

### 1. Summary of Industry in which the Company is operating

The Indian plastic industry is one of the leading sectors in the country’s economy. The history of the plastic industry in India dates back to 1957 with the production of polystyrene. Since then, the industry has made substantial progress and has grown rapidly. The industry is present across the country and has more than 2,500 exporters. It employs more than 4 million people in the country and constitutes 30,000 processing units; among these, 85-90% belong to small and medium enterprises. India manufactures various products such as plastics and linoleum, houseware products, cordage, fishnets, floor coverings, medical items, packaging items, plastic films, pipes, raw materials, etc. The country majorly exports plastic raw materials, films, sheets, woven sacks, fabrics, and tarpaulin. The Government of India intends to take the plastic industry from a current level of Rs. 3 lakh crore (US\$ 37.8 billion) of economic activity to Rs. 10 lakh crore (US\$ 126 billion) in 4-5 years.

10 Plastic Parks have been approved in the country by The Department of Chemicals and Petrochemicals. Among these, six plastic parks have received final approval from the following states – Madhya Pradesh (two parks), Assam (one park), Tamil Nadu (one park), Odisha (one park), and Jharkhand (one park). These parks are intended to boost employment and attain environmentally sustainable growth.

For further details, please refer to the chapter titled “Industry Overview” beginning on Page No. 90 of this Draft Prospectus.

### 2. Summary of Business

Our company is engaged in the manufacturing and supply of CPP & CPE films tailored to meet the diverse needs of the flexible packaging industry and high-end thermoforming applications and thus play a pivotal role in delivering innovative packaging solutions to our clients of a wide array of industries. Our product portfolio includes a wide range of CPP films designed to address the specific needs of various industries, including food and beverage, clothing, flowers and other consumer goods. From high-clarity films for premium packaging to high-barrier films for extended shelf life, we offer solutions that cater to the evolving demands of the market as we presently are equipped with such a manufacturing facility capable of producing CPP & CPE films spanning a thickness range from 15 to 250 microns. Further, considering the future prospect of Adhesive Laminated Films in line of present business of the Company, in the financial year 2023-24, Our company also started trading of said films and recorded turnover of Rs.22.59 Crore in the first financial year itself. To exploit the potential business opportunities prevailing in the market, the company is planning to install machines in its manufacturing unit itself to manufacture adhesive laminated films in the years to come.

For further details, please refer to chapter titled “Our Business” beginning on Page No. 103 of this Draft Prospectus.

### 3. Promoters

The Promoters of our company are Mr. Ashokbhai Dhanjibhai Babariya, Mr. Mukesh Dhanjibhai Babariya, Mrs. Gulabben Nitin Babariya And Mr. Dishank Nitin Babariya. For details, refer section titled “Our Promoter and Promoter Group” on page 143 of this Draft Prospectus.

### 4. Details of the Offer

Our Company is proposing the public offer of up to 69,70,000 equity shares of face value of ₹ 10/- each of 3B Films Limited (“3B films” or the “Company” or the “Offerer”, and such equity shares the “Equity Share”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “Offer Price”) aggregating to ₹ [●] lacs (the “Offer”), comprising a fresh offer of up to 37,70,000 equity shares aggregating to ₹ [●] lakh (the “fresh offer”) and an offer for sale of up to 32,00,000 equity shares by Ashokbhai Dhanjibhai Babariya, Mukesh Dhanjibhai Babariya, and Gulabben Nitin Babariya, (collectively referred to as the “promoter selling shareholders / selling shareholders”) aggregating to ₹ [●] lakh (“offer for sale”) of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lacs will be reserved for subscription by market maker to the offer (the “Market Maker Reservation Portion”). The offer less the Market Maker Reservation Portion i.e. Net offer of [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lacs is herein after referred to as the “Net offer”. The offer and the Net offer will constitute [●] % and [●]%, respectively, of the post offer paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

### 5. Objects of the Offer

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

Particulars	Estimated amount (in ₹ lacs)
Gross proceeds of the Fresh Offer	[●]
(Less) Offer expenses in relation to the Fresh Offer <sup>(2)</sup>	[●]
Net Proceeds <sup>(1)</sup>	[●]

<sup>(1)</sup> For details with respect to sharing of fees and expenses please refer to “Offer Expenses”.

<sup>(2)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

## 6. Utilization of Net Offer Proceeds

(₹ in lacs)

Sr. No.	Particulars	Estimated amount
1.	Capital Expenditure	Upto 443.20
2.	Working Capital Requirements	Upto 715.00
3.	General Corporate Purposes	[●]
4.	Offer Related Expenses	[●]

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

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

## 7. Aggregate Pre-Offer Shareholding of Promoters and Promoter Group

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

Sr. No.	Name of the Shareholders	Pre-Offer	
		Number of Equity Shares	% of Pre-Offer Equity Share Capital
Promoter			
1.	Ashokbhai Dhanjibhai Babariya	53,58,848	25.25%
2.	Mukesh Dhanjibhai Babariya	57,81,876	27.25%
3.	Gulabben Nitin Babariya	56,01,506	26.40%
4.	Dishank Nitin Babariya	12,41,370	5.85%
Promoter Group			
5.	Mithil Ashokkumar Babariya	10,61,000	5.00%
6.	Heena Ashokbhai Babariya	4,24,400	2.00%
7.	Harshaben Mukeshbhai Babariya	10,61,000	5.00%
Total		2,05,30,000	96.75%

Our Promoter Group holds shareholding in our Company.

For further details, please refer to the chapter titled “Capital Structure” beginning on Page No. 59 of this Draft Prospectus.

## 8. Summary of Financial Information

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

(₹ in lacs)

S. No.	Particulars	July 31, 2024*	March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	2,122.00	2,122.00	2,122.00	2,122.00
2.	Net Worth	3,253.83	3,090.97	2,659.64	2,567.40
3.	Revenue from operations	1,613.40	7,574.89	7,179.90	6,737.79
4.	Profit after Tax	162.87	431.33	92.23	(34.46)
5.	Earnings per Share	0.77	2.03	0.43	(0.16)
6.	Net Asset Value per equity share	15.33	14.57	12.53	12.10
7.	Total borrowings	9,642.79	10,655.12	9,855.76	9,933.37

\*Not annualised

For further details, please refer to the section titled “Financial Information” beginning on Page No. 154 of this Draft Prospectus.

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

The Restated Financial Information contains following qualification by the Statutory Auditors:

Not Applicable

## 10. Summary of Outstanding Litigation

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

### a) **Litigations involving our Company**

#### i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lacs)
Criminal matters	3	696.33
Direct Tax matters	Nil	Nil
Indirect Tax matters	3	282.11
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	2	Not quantifiable

ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lacs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
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 lacs)
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 lacs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
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 lacs)
Criminal matters	1	Not quantifiable
Direct Tax matters	2	0.12
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	1	Not quantifiable

ii) Cases filed by our Promoter:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lacs)
Criminal matters	1	12.76
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**d) Litigations involving our Subsidiary**

iii) Cases filed against our Subsidiary:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lacs)
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

iv) *Cases filed by our Subsidiary:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lacs)
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. 167 of this Draft Prospectus.

## 11. Risk Factors

Please refer to the section titled “*Risk Factors*” beginning on Page No. 28 of this Draft Prospectus.

## 12. Summary of Contingent Liabilities

As per the Restated Financial Information for the period of four months ended on July 31, 2024 and Financial Years ended on March 31, 2024, 2023 and 2022, there are no contingent liabilities of our Company which have been recognized and reported in the Restated Financial Information. For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on Page No. 153 of this Draft Prospectus.

## 13. Summary of Related Party Transactions

**Related Party Disclosures are given below:**

Based on restated financial statement here is the details of related party transactions during the Period ended 31st July, 2024 and Year ended 31st March 2024, 31st March 2023, 31st March, 2022 and 31st March 2021 and balances outstanding as at 31st July, 2024 and Year ended 31st March 2024, 31st March 2023, 31st March, 2022 and 31st March 2021.

Sr No.	Nature of Relationship	Names of related parties
1	Promoter, Chairman & Managing Director	Ashok Babariya
2	Promoter & Whole-time Director	Dishank Babariya
3	Promoter & Non-Executive Director	Mukeshbhai Babariya
4	Independent Director	Abhishek Shah
5		Chintan Joshi
6		Drashti Solanki
7	Company Secretary & Compliance Officer	Janki Raj
8	Chief Financial Officer	Dhaval Panchal
9	Promoter	Gulabben Babariya
10	Relative of Promoters/Directors	Nitinbhai Babariya
11	Promoter Group Entities	3B Flexipacks Private Limited
12		Mars Engitech Private Limited
13		Hans Exports

**Details of related party transactions during the year**

**(Rs. In Lakhs)**

Sr No.	Particulars	Transaction For Period Ended On 31-07-24	Transaction For Period Ended On 31-03-24	Transaction For Period Ended On 31-03-23	Transaction For Period Ended On 31-03-22
<b>1</b>	<b>Unsecured Loan Taken</b>				
	Ashokbhai Babariya	300.17	913.96	154.44	590.40
	Gulabben Babariya	214.30	597.10	31.00	184.40
	Mukeshbhai Babariya	147.00	562.25	93.85	178.60
	Nitinbhai Babariya	0.00	165.00	4.60	0.00
		<b>661.47</b>	<b>2238.31</b>	<b>283.89</b>	<b>953.40</b>
<b>2</b>	<b>Unsecured Loan Repaid</b>				
	Ashokbhai Babariya	503.00	41.97	72.00	199.25
	Gulabben Babariya	22.65	16.50	21.95	5.45

	Mukeshbhai Babariya	266.17	11.25	59.55	81.50
	Nitinbhai Babariya	463.50	4.00	0.20	2.40
		<b>1255.32</b>	<b>73.72</b>	<b>153.70</b>	<b>288.60</b>
<b>3</b>	<b>Sales</b>				
	3B Flexipacks Private Limited	<b>115.00</b>	<b>8.05</b>	<b>2.02</b>	<b>54.66</b>
<b>4</b>	<b>Rental Income</b>				
	3B Flexipacks Private Limited	<b>1.89</b>	<b>5.66</b>	<b>4.92</b>	<b>0.00</b>
<b>5</b>	<b>Purchases</b>				
	3B Flexipacks Private Limited	<b>14.00</b>	<b>23.78</b>	<b>0.00</b>	<b>0.00</b>
<b>6</b>	<b>Repair and Maintenance Expense</b>				
	Mars Engitech Private Limited	<b>0.05</b>	<b>1.83</b>	<b>1.48</b>	<b>2.79</b>
<b>7</b>	<b>Rental Expense</b>				
	Hans Exports	-	-	<b>1.20</b>	<b>-0.17</b>
<b>8</b>	<b>Sitting Fees</b>				
	Mukesh Babariya	0.12	-	-	-
	Abhishek Shah	0.12	-	-	-
	Chintan Joshi	0.12	-	-	-
	Drashti Solanki	0.12	-	-	-
		<b>0.48</b>	-	-	-
<b>9</b>	<b>Salary</b>				
	Janki Raj	0.68	0.34	-	-
	Dhaval Panchal	1.73	0.86	-	-
		<b>2.41</b>	<b>1.20</b>	-	-

#### Details of Balance Outstanding at the end of Period

(Rs. In Lakhs)

Sr No.	Particulars	Balance as on 31-07-24	Balance as on 31-03-24	Balance as on 31-03-23	Balance as on 31-03-22
1	Unsecured Loan				
	Ashokbhai Babariya	2524.79	2727.63	1855.63	1773.19
	Gulabben Babariya	989.27	797.62	217.02	207.97
	Mukeshbhai Babariya	896.26	1115.44	564.44	530.14
	Nitinbhai Babariya	177.30	640.80	479.80	475.40
		<b>4587.62</b>	<b>5281.48</b>	<b>3116.89</b>	<b>2986.70</b>
2	Trade Receivables				
	3B Flexipacks Private Limited	11.64	73.76	7.77	-7.47
		<b>11.64</b>	<b>73.76</b>	<b>7.77</b>	<b>-7.47</b>
3	Trade Payables				
	Mars Engitech Private Limited	1.55	1.49	0.12	0.16
	Hans Exports	1.80	1.80	1.80	1.80
		<b>3.35</b>	<b>3.29</b>	<b>1.92</b>	<b>1.96</b>



For further details, please refer “Annexure: Related Party Disclosures” from the chapter titled “Restated Financial Information” beginning on Page No. 153 of this Draft Prospectus.

#### **14. Financials Arrangements**

There are no financing arrangements whereby the Promoters, members of the Promoter 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 Draft Prospectus.

#### **15. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft 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 Draft Prospectus is as follows:

Name of Promoters	No. of shares acquired in last one year from the date of this Draft Prospectus	Weighted Average Price (in ₹)
Ashokbhai Dhanjibhai Babariya	00	NIL
Mukesh Dhanjibhai Babariya	00	NIL
Gulabben Nitin Babariya	00	NIL
Dishank Nitin Babariya	00	NIL

#### **16. Cost of Acquisition of Equity Shares for Promoters**

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

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Ashokbhai Dhanjibhai Babariya	53,58,848	16.73
Mukesh Dhanjibhai Babariya	57,81,876	15.51
Gulabben Nitin Babariya	56,01,506	12.87
Dishank Nitin Babariya	12,41,370	NIL

#### **17. Pre-IPO Placement**

Our Company does not contemplate any issuance or placement of Equity Shares in this Offer until the listing of the Equity Shares.

#### **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. For further details regarding Issue of Shares please refer chapter titled “Capital Structure” on Page 59 of this Draft Prospectus.

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

No split or consolidation of equity shares has been made in the last one year prior to filing of this Draft Prospectus.

#### **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.

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### **SECTION III – RISK FACTORS**

*An investment in Equity Shares involves a high degree of risk. Potential investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or some combination of the following risks or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment.*

*In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with chapters titled “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Restated Financial Information” beginning on Page Nos. 103, 90, 158 and 153, respectively as well as the other financial and statistical information contained in this Draft Prospectus.*

*In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the offer including the merits and risks involved. Potential investors should also consult their tax, financial and legal advisors about the particular consequences of investing in the offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.*

*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. Our Company’s Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2024, 2023 and 2022 and for the Four months ended July 31, 2024 included herein is derived from the Restated Financial Statements, included in this Draft Prospectus. For further information, please refer the section titled “Financial Information” beginning on Page No. 153 of this Draft Prospectus.*

*This Draft 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 elsewhere in this Draft Prospectus. For details, please refer the chapter titled “Forward Looking Statements” beginning on Page No. 21 of this Draft Prospectus.*

*Unless otherwise indicated or the context otherwise requires, in this section, any reference to “the Company”, “our Company”, “we”, “us” and “our” refers to 3B Films Limited.*

*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.*
- *Some events may not be material at present but may be having material impact in future.*

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

#### **INTERNAL RISK FACTORS**

*Any investment in equity securities involves a high degree of risk. You should carefully consider all of the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with section titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 103 and 158 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Offer unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*The financial information in this section is, unless otherwise stated, derived from our Consolidated Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act 2013 and SEBI (ICDR) Regulations. The risk factors have been determined on the basis of their materiality. Some events may not be material individually but may be found to be material collectively, some events may have a material impact qualitatively instead of quantitatively and some events may not be material at present but may have material impacts in the future.*

**1. *Inadequate or uninterrupted supply and price fluctuation of packaging materials could adversely affect our business, results of operations, cash flows, profitability and financial condition.***

Our company engages in the manufacturing and supply of different types of CPP & CPE films. We offer customized and wide range of packaging films solutions to business-to-business (B2B) manufacturers to variety of industries.

The quantity and cost of our products are dependent on our ability to source raw materials at acceptable prices and maintain a stable and sufficient supply of the same. The products our company consume as raw materials are subject to price volatility and unavailability caused by external conditions, such as commodity price fluctuations within India and globally, weather conditions, supply and demand dynamics, logistics, our bargaining power with the suppliers, inflation and governmental regulations and policies.

Our company passes on the cost escalations to our customers, however, we may not be able to pass on every instance of escalation in input costs and may have to pursue internal cost control measures or may have to absorb in some instances. If we are not able to effectively pass on our escalated costs to customers, such price escalations could have a material adverse impact on the results of operations, financial condition and cash flows.

**2. *Our Company, our Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company, our Promoters and Directors are party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and legal forums. A summary of outstanding litigation proceedings involving our Company, our Promoters and Directors as on the date of this Draft Prospectus as disclosed in “*Outstanding Litigation and Material Developments*” on page 167, in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Material Civil Proceedings	Amount (₹ in lakhs)
By the Company	Nil	Nil	Nil	Nil	Nil
Against the Company	3	Nil	3	2	978.44
By the Promoter	1	Nil	Nil	Nil	12.76
Against the Promoter	1	Nil	2	1	0.12
By the Directors (Other than Promoters)	Nil	Nil	Nil	Nil	Nil
Against the Directors (Other than Promoters)	Nil	Nil	Nil	Nil	Nil
By Group Companies	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil

There can be no assurance that litigations involving our Company, our Promoters and Directors will be decided in favour of our Company, Promoters and Directors and consequently it may divert the attention of our management and Promoters and consume our corporate resources and we may incur significant expenses in such proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against Company, our Promoters and Directors, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation. For further details, pertaining to material pending outstanding litigations involving our Company, our Subsidiary, our Promoters and Directors, see “*Outstanding Litigation and Material Developments*” on page 167.

**3. *Our business is dependent on the adequate and uninterrupted supply of electrical power and water at a reasonable cost. Our Company does not have suitable power back-up to meet power failure exigencies. Failure on account of unavailability of electrical power and water may restrict us in utilizing our full capacity and, hence, may impact our business and results of operation.***

Adequate and cost-effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Our manufacturing process requires uninterrupted supply of electrical power in order to ensure that we are able to manufacture our products. The shortage or non-availability of electrical power may adversely affect our manufacturing process and have an adverse impact on our results of operations and financial condition. Currently, we source our power requirements from the state electricity board. At present, we have a sanctioned load power capacity of 2,200 KVA from MGVCL. Currently, we do not have any power backup systems in place, such as generators or uninterruptible power supplies (UPS). As a result, any disruption in power supply could lead to significant interruptions in our business activities, including delays in providing services to our clients, potential loss of data, and inability to access critical systems and information. Frequent or prolonged power outages could

adversely affect our ability to meet customer expectations and contractual obligations, potentially resulting in loss of business, damage to our reputation, and financial losses. Furthermore, in the absence of power backup, our ability to recover quickly from a power disruption is limited, which could further compound these risks. Our lack of power backup presents a material risk to our operations, and any future power supply issues could have a significant adverse impact on our business, financial condition, and results of operations.

Further, if the per unit cost of electricity is increased by the state electricity board, our power cost will increase and it may not be possible to pass on any increase in our power cost to our customers, which may adversely affect our profit margins.

Additionally, we require water for process in manufacturing of our products and for human consumption. At present, we fulfill our said water requirement from own borewell at our manufacturing unit. Any disruption / non availability of water or any failure on our part to arrange alternate sources of water supply, in a timely manner shall directly affect our production which in turn shall have an impact on operations and results of our Company.

**4. *There have been certain instances of delay in filing of statutory forms with ROC and inadvertent inaccuracies and non-compliances with respect to provision of the Companies Act, 2013. Any adverse order passed or penalty imposed by regulators on us, may adversely affect our business and results of operations.***

As a Company, we are required to file various e-forms with the Ministry of Corporate Affairs ("MCA") under the applicable provisions of the Companies Act, 2013. As of the date of this Draft Prospectus, there were instances of delayed filing of different statutory e-forms inadvertently due to non-functionality of MCA or otherwise under the Companies Act, 2013, which subsequently rectified by paying additional fees as mandated for filling of the said delayed e-form to make compliance of the relevant provision of the und the Companies Act, 2013.

Further, Our Company has inadvertently not complied with certain statutory provisions in the past including but not limited to the details as mentioned herein.

- The Company has filed its Board Reports and Annual Returns in accordance with Section 134 and 92 of the Companies Act, 2013. However, certain filings were made with omissions and/or improper disclosures. Specifically, inadvertent disclosures were made in the Annual XBRL filings for the financial years 2016-17 to 2022-23. Furthermore, the Company did not attach Form AOC-2, which is required for disclosing related party transactions, for the financial years 2014-15, 2020-21, 2021-22, and 2022-23. Additionally, for the financial years 2016-17 to 2022-23, the Company's Annual Return was inadvertently certified by its Company Secretary in Practice instead of the Company Secretary in employment, as required under Section 92 of the Companies Act, 2013. Additionally, in the Board Resolution attached to e-Form PAS-3 for the allotment of equity shares dated March 23, 2015, the Company inadvertently mentioned "Right Issue" instead of "Conversion of Loan into Equity Shares."
- The Company undertook a preferential allotment of equity shares on March 30, 2020. In this process, the Company issued an offer letter to the proposed allottees prior to the filing of MGT-14 with the Ministry of Corporate Affairs (MCA) concerning the shareholders' resolution. This sequence of actions inadvertently resulted in non-compliance with the provisions of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- The Company, in the course of its early operations, inadvertently borrowed funds prior to filing Form INC-21 (Commencement of Business). This action coincided with the receipt of subscription monies from the first directors and subscribers. Consequently, the Company unintentionally breached the provisions of Section 11 of the Companies Act, 2013.
- The Company was unable to appoint a Company Secretary during the period from November 15, 2016, to May 09, 2017, as required under Section 203 of the Companies Act, 2013.
- The Company had, on certain occasions, failed to comply with applicable regulatory requirements including typographical/clerical mistakes, which may expose it to penalties and other legal consequences. Specifically, the Company did not provide the requisite justification as required under Rule 13(2)(xii) of the Companies (Share Capital and Debentures) Rules, 2013, in relation to the preferential allotment of Equity Shares on March 30, 2020. Additionally, the Company failed to comply with Secretarial Standards by omitting the day and time of meetings in the resolutions filed in the relevant e-form with the Ministry of Corporate Affairs (MCA).

No show cause notice in respect to the above has been received by our Company till date, no penalty or fine has been imposed by any regulatory authority in respect to the same. We cannot assure you that such inaccuracies, delays and non-compliances will not happen in the future and that our Company will not be subject to any action, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in, or non-availability of, or delays in filing of, any of its secretarial records and filings, which may adversely affect our operations and financial position.

**5. *Our company is significantly dependent on few customers for our revenue in a particular financial year. The loss of any one or more of such customer may have a material effect on our business operations and profitability. We derive a significant portion of our revenue from sales to our top 5 customers. Any failure to maintain relationships with such customers could adversely affect our revenue and financial condition.***

The percentage of revenue derived from our top five and top ten customers for period ended July 31, 2024, Financial Year 2023-24, 2022-23 and 2021-22 are given below:

(Amount in lakhs)

Particulars	For the period ended on July 31, 2024		For Financial Year ended on March 31, 2024		For Financial Year ended on March 31, 2023		For Financial Year ended on March 31, 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
<b>Top 5</b>	959.87	59.49	5337.39	70.46	3040.32	42.34	3657.61	54.28
<b>Top 10</b>	1229.80	76.22	6352.84	83.87	4317.24	60.13	4699.19	69.74

Our top five and ten customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Our customers often undertake vendor rationalisation to reduce costs related to procurement from multiple vendors. Since we are largely dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers or a significant reduction in demand from such customers could have a material adverse effect on our business, financial condition, results of operations and future prospects. Further, we also cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. We have not entered into formal arrangements or contracts with our customers to purchase the products from us. We work on purchase order basis with our customers based on their demand. Since we have no formal arrangements with our customers, they are not contractually obligated to purchase minimum quantity of products from us and may choose to purchase the products from our competitors. We cannot assure you that we will be able to continue to retain these customers on terms that are commercially acceptable to us, or at all.

**6. Our success largely depends upon the knowledge and experience of our Key Managerial Personnel, Directors and Promoters of our company. Loss of such 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 and continued services and the management skills of 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 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. Any attrition of such experienced Key Managerial Personnel, 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 who leave. If we are unable to motivate and retain such Key Managerial Personnel and thereby lose the services of such skilled Key Managerial Personnel 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" beginning on Page No. 133 of this Draft Prospectus.

**7. There are instances of delays in payment of EPF and filing of GST returns by our Company. Any further delay in the said payments and filing of returns may attract penalties from the respective government authorities and in turn may have a material adverse impact on our financial condition and cash flows.**

We have had instances of delays in the payment of EPF, ESIC and in filing of GST returns. The details are illustrated as below:

**In respect of payments of EPF:**

Financial Year	Total Amount of All Establishments Paid	Total No. of Establishments	Establishments With Delayed Payments
FY 2021 – 22	24.50	1	-
FY 2022 – 23	28.65	1	1
FY 2023-24	34.29	1	1
Four Months period ended 31 <sup>st</sup> July, 2024	11.48	1	-

**In respect of payments of ESIC:**

For the Financial Year/Period	Total Amount of All Establishments Paid	Total No. of Establishments	Establishments With Delayed Payments
FY 2021 – 22	3.26	1	-
FY 2022 – 23	3.63	1	1
FY 2023-24	4.32	1	1
Four Months period ended 31 <sup>st</sup> July, 2024	1.38	1	-

**In respect of filing of GST Returns:**

Financial Year	State	Return Type	Total No. of Establishment	Establishments With Delayed Payments
FY 2021 – 22	Gujarat	GSTR-3B	1	-
FY 2022 – 23	Gujarat	GSTR-3B	1	-
FY 2023-24	Gujarat	GSTR-3B	1	1
Four Months period ended 31 <sup>st</sup> July, 2024	Gujarat	GSTR-3B	1	1

There can be no assurance that such delay may not arise in the future. This may lead to monetary penalties from respective government authorities which may have a materially adverse impact on our financial condition and cash flows.

**8. We have incurred indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition. 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 with certain banks for short-term and long-term borrowings. As on July 31, 2024, we had total outstanding borrowings of ₹ 4,955.16 Lakhs, certain of which contain restrictive covenants, including requirements that we obtain consent from the lenders prior to undertaking certain matters including altering our capital structure, change in shareholding, not approaching the capital markets for mobilizing additional resources



either in the form of debt or equity, changing the management, dilution of Promoters' shareholding and undertaking any new project, implementing any scheme of expansion/diversification or capital expenditure or acquiring fixed assets (except normal replacements) if such investment results into breach of financial covenants or diversion of working capital funds to financing of long-term assets.

Further, in terms of security, we have created a mortgage over our immovable properties and hypothecation of our movable properties. Additionally, we are required to, among others, to maintain the prescribed debt service coverage ratio, total debt and debt to equity ratio.

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. Any fluctuations in the interest rates may directly impact the interest costs of such loans. Our ability to make payments on and refinance our indebtedness will depend on our continued ability to generate cash from our future operations. In the past, at certain occasions, our Company including Group Companies have made the EMI payments of the bank borrowings with delay. 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. For details of these covenants, please refer to the chapter titled "Financial Indebtedness" beginning on Page No. 155 of this Draft Prospectus. Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or guarantors or otherwise could lead to a termination of our credit facilities, foreclosure on our assets, acceleration of all amounts due under such manufacturing facilities or trigger cross-default provisions under certain of our other financing agreements, any of which could adversely affect our financial condition and our ability to conduct and implement our business plans.

9. ***We have a history of net losses and negative earnings per share ("EPS"). We need to generate and sustain increased revenues while managing our expenses to achieve profitability, and our inability to achieve these goals may have an adverse effect on our business, results of operations, cash flows and financial condition.***

We have a history of net losses and negative EPS. The following table sets forth our restated loss, our basic and diluted EPS as at and for the period / year:

Rs. In Lakhs

Particulars	For the year ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Restated Profit after Tax as per Profit & Loss Statement	162.87	429.17	91.76	(34.46)
Earnings Per Share - Basic & Diluted <sup>1</sup> (₹)	0.77	2.02	0.43	(0.16)

Note: (1) For a reconciliation of non-GAAP measures, see "Other Financial Information - Non-GAAP Measures" on page 154.

We incurred losses for Fiscals 2022 as a result of, among others, lower capacity utilization of our manufacturing facility, as well as lower gross margins due to inefficient utilization of manufacturing resources. For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Financial Condition and Results of Operations on page 158. We may continue to incur losses and have negative EPS for the foreseeable future and may not achieve or maintain profitability in the future. Any failure by us to achieve or sustain profitability on a consistent basis, or at all, may have an adverse impact on the value of our Equity Shares. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected.

10. ***Our Promoters and Promoter Group will continue to retain majority shareholding in our Company after the offer, which will allow them to exercise significant influence over us and potentially create conflicts of interest.***

As on date of this Draft Prospectus, our Promoters and Promoter Group hold approximately 96.75% of the share capital of our Company. Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. The interests of the Promoters and promoter Group as our controlling shareholder could conflict with our interests or the interests of its other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour.

11. ***Our products are produced frequently and has a short time frame of production, hence we do not prepare order book for our products.***

Our company operates in the industry with a short manufacturing and delivery cycle that allows us to efficiently manufacture and deliver products in a rapid timeframe which results into production as-needed basis. We do not prepare an official order book for our products, which may result in wrong prediction of the production capacity and our production capacity may remain underutilized.

12. ***The average cost of acquisition of Equity Shares by our Promoters could be lower than the Offer price.***

Our Promoter average cost of acquisition of Equity Shares in our Company could be lower than the Offer Price as decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "Capital Structure" and "Summary of Offer Document" beginning on page 59 and 22, respectively of this Draft Prospectus.

13. ***Our company is yet to place orders for any of the components of the Proposed Capital Expenditure.***

As of the date of this Draft Prospectus, we have not yet placed orders for any of the components required for our Proposed Capital Expenditure. This delay may result in extended project timelines, cost escalations, and potential disruptions to our planned expansion. The successful execution of our Proposed Capital Expenditure is critical to our future growth and competitiveness. Any further delays in placing orders could lead to availability issues, or price fluctuations, all of which could increase the overall cost and delay the completion of our projects. Additionally, such delays may impact our ability to achieve the anticipated benefits from the Proposed Capital Expenditure within the expected timeframes. Investors should be aware that these delays could have a material adverse effect on our business operations, financial condition, and future growth prospects.

14. ***Industry information of the Company included in this Draft Prospectus has been derived from different industrial association and other***

**governmental sources and reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.**

There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate. We have referred different industrial association and other governmental sources and reports for purposes of inclusion of such information in this Draft Prospectus. This data is subject to various limitations and based upon certain assumptions that are subjective in nature. None of our Company, the Lead Manager or any other person connected with the offer has independently verified such information. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or the Lead Manager or any of our or its respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Further, there is no assurance that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Prospectus.

**15. 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 in operating, investing and financing activities in the past, the details of which are provided below:

(₹ In Lakhs)

Particulars	For the Period / Year ended			
	July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net cash generated from / (used in) Operating activities	1262.40	163.87	332.63	(320.55)
Net cash generated from / (used in) Investing activities	(90.73)	(298.20)	(84.85)	9.87
Net cash generated from / (used in) from Financing activities	(1218.13)	176.79	(553.92)	629.88

Cash flow of a Company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. 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.

**16. Our Company is dependent on third-party transportation providers for the supply of raw materials and delivery of our finished products.**

Our success depends on the supply and transport of the various raw materials required for our manufacturing facilities and of our finished products from our manufacturing facilities to our customers and distributors, which are subject to various uncertainties and risks. As on date, we are using our own 2 vehicles for the purpose of transportation of our manufacturing products. However, we also largely depend on usage of vehicles of third-party for the delivery of our products and transportation restrictions, if any, could have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of raw materials and delivery of such materials to us is delayed, we may be unable to meet our purchase orders in a timely manner or at all, which may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers and distributors. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

**17. Our business requires significant amount of working capital. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations.**

Our business requires significant amount of working capital for carrying-out its activities. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future, or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. As we pursue our growth plan, we expect that we will have to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. If we are unable to manage our working capital requirements, our business, results of operations and financial condition could be materially and adversely affected. For further information on the working capital facilities currently availed of by us, chapter titled "Restated Financial Information" beginning on Page No. 153 of this Draft Prospectus.

**18. The objects of the offer include funding working capital requirements of our Company, which are based on certain assumptions and estimates and such working capital requirements may not be indicative of the actual requirements of our Company.**

The objects of the offer include funding working capital requirements of our Company, which are based on management estimates and certain assumptions in relation to inter alia cost and holding periods of inventories of raw materials and finished goods as well as capacity utilisation. For details, please refer to the chapter titled "Objects of the Offer" beginning on Page No. 72 of this Draft Prospectus. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, and availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

**19. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval,**



*which may restrict our ability to respond to any change in our business or financial condition and thereby, may adversely affect our business and results of operations.*

Our Company intends to use Net Proceeds raised pursuant to the offer in the manner set out in the chapter titled “Objects of the Offer” beginning on Page No. 72 of this Draft Prospectus. In accordance with Section 27 of the Companies Act, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of Shareholders of our Company through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the approval of the Shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the Shareholders of our Company may adversely affect our business or operations. In light of these factors, we may not be able to undertake variation of objects of the offer to use any unutilized proceeds of the offer, if any, 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 unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

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

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer “Dividend Policy” on page 152 of this Draft Prospectus.

**21. *We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.***

As on the date of the Draft Prospectus, our Company has made an application bearing number 6499209 dated June 26, 2024 for registration our logo “



” under class 17 of the Trade Mark Act, 1999 which is currently pending as on date. For further details, see “**Government and Other Statutory Approvals**” on page 171. There can be no assurance that we will be able to successfully obtain registration against the application, which may affect our ability to use such trade marks in the future. If we are unable to renew or register our trademarks for various reasons including our inability to remove objections to any trademark application, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future.

Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, if do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad. For further details see “**Our Business - Intellectual Property**” and “**Government and Other Statutory Approvals**” on pages 103 and 171 respectively.

**22. *We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.***

We believe that our Company has obtained all the material approvals required to carry on its business activities as on the date of this Draft Prospectus. Many of these approvals are granted for a fixed period of time and are required to be renewed from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material effect on our business, results of operations and financial condition.

Further, we have made applications such as Shops and Establishment Registration Certificate for our establishment located at SF 220, Pancham Icon, Besides D Mart, Vasna Road, Vadodara, Gujarat 390007 and renewal of Ground Water Abstraction NOC. Additionally, we are yet to obtain Fire NOC for our Factory Premises located at Padra, Vadodara, Gujarat. We shall endeavour to make an application for the said Fire NOC.

Further, certain permits, licenses and approvals obtained by our Company are conditional in nature. While our Company endeavours to meet such conditions, we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, renew, maintain or obtain the required permits, licenses or approvals, or revocation, cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. There can be no assurance that the relevant authorities will issue any or all such permits or approvals in the time-frame anticipated by us or at all. Non-receipt of the aforesaid license would result in payment of fines under the respective laws. We are also required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.



For details, see “*Government and Other Statutory Approvals*” on page 171.

**23. *We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results.***

We rely on the skills, expertise and experience of our employees to provide quality services to our customers. Our employees may leave from their employment with us prematurely and we may not be able to retain them. Experienced and skilled workers in the packaging industry are highly sought after, and competition for talent is intense. If we experience any failure to attract and retain competent personnel or any material increase in labour costs as a result of the shortage of skilled labour, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

**24. *We have not entered into any technical support service for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.***

Our manufacturing processes involve use of technical equipments and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our company has not entered into any technical support service agreements with any competent third party. Our failure to reduce the downtime in case such events occur may adversely affect our productivity, business and results of operations.

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

Our Company has entered into transactions with certain related parties. All such transactions have been conducted on an arms length basis and in the ordinary course of business and in accordance with the relevant provisions of Companies Act and all others applicable laws but there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. All related party transactions that we may enter into postlisting, will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. For details on the transactions entered by us, please refer to Chapter titled “*Restated Financial Statement*” beginning on page 153 of this Draft Prospectus.

**26. *Our insurance coverage may not adequately protect us, which may adversely affect our business, results of operations and financial condition.***

We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event, we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.

Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

**27. *Our Promoters / Directors and their relatives have given personal guarantees and have secured their personal properties in relation to debt facilities provided to us.***

Our Promoters and their relatives namely, Mr. Ashokbhai Babariya, Mr. Mukeshbhai Babariya, Mr. Nitinbhai Babariya and their relatives have provided personal guarantee and have also given their personal property as collateral in relation to our secured debt facilities availed from the banks. In an event our Promoters/ Directors withdraw or terminates his/their guarantee/s or security of personal properties, the lender for such facilities may ask for alternate guarantee/s or securities or for repayment of amounts outstanding under such facilities or even terminate such facilities. We may not be successful in procuring guarantee/s or collateral securities satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Financial Indebtedness*” beginning on page 155 of this Draft Prospectus.

**28. *We do not have any long-term agreement or contract of supply of raw materials and consequently are exposed to price and supply fluctuations for our raw materials.***

Our Company is engaged in the business of manufacturing of plastic packing materials. 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. We rely on pre-booking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacturing of our products, could have a material adverse effect on our business. Further, any discontinuation or a failure of these suppliers to adhere to the delivery schedule or failure to deliver the required quality and quantity could hamper our manufacturing schedule.

Further, we are also exposed to fluctuations in the prices of raw materials. Thus, we may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our products becoming unaffordable if pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our margins. Upward fluctuation of

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

- 29. *Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of purchase orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.***

We have not entered into any long-term contracts with our customers and we cater to them on purchase order basis. We are bound to comply with different terms and conditions stipulated in the purchase orders failing to which may lead to termination or cancellation of the purchase orders by our customers. Our customers may also terminate their relationships with us without any notice which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products and customer's inventory management. Although we place a strong emphasis on quality, timely delivery of our products, etc., in the absence of contracts, any sudden change in the buying pattern of customers could adversely affect the business and the profitability of our Company.

- 30. *Our main operations may be adversely affected in case of industrial accidents at our manufacturing unit which may lead to any fire mishaps or accidents could lead to property damages, property loss and accident claims.***

Throughout our production processes, various factors such as machinery operation, material handling, and other inbuilt technical process carry inherent risks. These risks extend to potential injuries to our labour force, employees, and other individuals on-site, as well as the possibility of property damage, all of which could disrupt our operations and impact our financial performance.

- 31. *In the event there is any delay in the completion of the Offer, there would be a corresponding delay in the completion of the objects of this Offer which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the objects of the Offer in the manner stated in the chapter titled "Objects of the Offer" beginning on Page No. 72 of this Draft Prospectus. The proposed schedule of implementation of the objects of the Offer is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Offer, we may have to revise our working capital limits resulting in unprecedented financial mismatch and this may affect our revenues and results of operations. Further, our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds can adversely affect our growth plan and profitability.

- 32. *We may not be able to sustain effective implementation of our business and growth strategies.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We may not be able to execute our strategies in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long-term business outlook. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on Equity Share price of our Company.

- 33. *The introduction of alternative packaging materials caused by changes in technology or consumer preferences may affect demand for our existing products, which may adversely affect our financial results and business prospects.***

Our products are used mainly by companies who require packaging materials for FMCG, chemical, Food Products, Textiles, Pesticides, Fertilizers, Ceramics, etc. Our business is affected by changes in technology, consumer preferences, market perception of brand, attractiveness, convenience, safety and environmental norms. Our ability to anticipate such changes and to continuously develop and introduce new and enhanced products successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we will be able to keep pace with the technological advances that may be necessary for us to remain competitive. Further, any substantial change in preference of consumers who are end users of our products will affect our customers' businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands of packaging businesses and consumer preferences may have an adverse effect on our business, profitability and growth prospects.

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

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

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

We intend to utilize the Net Proceeds of the Offer as set forth in the chapter titled "*Objects of the Offer*" beginning of this Draft Prospectus. The funding requirements mentioned as a part of the objects of the Offer are based on internal management estimates in view of past expenditures and have

not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies and since we have not presently entered into any definitive agreements for the use of Net Proceeds. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For further details, please see chapter titled **“Objects of the Offer”** beginning on page 72 of this Draft Prospectus

**36. *Our Company have unsecured loans that may be recalled by the lenders at any time.***

Based on restated financial statement, as on March 31, 2024 and for the period ended July 31, 2024, our Company has unsecured loan of ₹ 5,281.48 lakhs and of ₹ 4,687.63 lakhs, respectively, from Promoters and Director or their relatives of our Company which are repayable on demand to relevant lenders. These unsecured loans may be re-called at any time by these parties. In the event these loans are required to be re-paid on a short notice, our Company may have to arrange additional fund which may affect our business, cash flows, financial condition and results of operations. For further details, see **“Financial Indebtedness”**, on page 155 of this Draft Prospectus.

**37. *We have not identified any alternate source of raising the funds mentioned as our ‘Objects of the Offer’. Any shortfall or delay in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

Our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds for working capital cycle or may result in us borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the Company.

**38. *Information in relation to our installed capacity and capacity utilization of our Manufacturing Unit included in this Draft Prospectus is based on various assumptions and estimates, and future production and capacity utilization may vary.***

Information relating to our installed capacities and the capacity utilization of our Manufacturing Unit included in this Draft Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, actual product mix vis-à-vis the products mix envisaged for computation of our installed capacity and assumptions relating to potential utilization levels and operational efficiencies. While we have obtained a certificate dated November 07, 2024, from S K Patel, Independent Chartered Engineer, actual capacities and utilization rates may differ significantly from the estimated installed capacities or estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or estimated capacity utilization information for our existing facility included in this Draft Prospectus.

**39. *Our Registered office, from where we operate, are taken on leave and license. Discontinuation of lease agreements may require us to vacate such premises which may have an adverse impact on our business continuity and profitability.***

The Registered Office of our Company presently located at SF 220, Pancham Icon, Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007 is not owned by us and taken on leave and license basis from the Hans Exports, Partnership Firm in which one of the members of the Promoter Group namely, Ashokbhai Babariya and their relative are also partners. If the agreement under which we occupy the premises is not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our business operations which could have an adverse effect on our business, financial condition and results of operations.

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

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

**41. *Our Manufacturing Unit is located at Vadodara in Gujarat exposing us to regulatory and other geography specific risks such as weather and natural occurrences as well as regulatory, economic, demographic and other changes in Gujarat.***

Our Manufacturing Unit is located at Vadodara, Gujarat, and accordingly, our current manufacturing operations are concentrated in one geographic area. The concentration of our operations at one location in Gujarat heightens our exposure to adverse developments related to weather and natural occurrences, any workforce disruptions, as well as regulatory, economic, demographic and other changes in Gujarat, which may adversely affect business, financial condition and results of operations. Further, our manufacturing operations require significant labour and are also reliant on government policies in terms of taxes, duties and incentives made applicable by the Gujarat state government. As a result, any unfavourable policies in Gujarat, could adversely affect our business, financial condition and results of operations. Furthermore, Gujarat has experienced social and civil unrest in the past within the state and such tensions could lead to political or economic instability in Gujarat and a possible adverse effect on our business, financial condition and results of operations. There can be no assurance that such situations will not recur or be more intense than in the past.

**42. *Delays or defaults in client payments could affect our operations.***

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.



**43. *We are susceptible to exchange rate fluctuations***

We have undertaken export and also imported some of our raw material requirements during the preceding 3 (three) years. The imports of Our Company for the period ended July 31, 2024 and for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022 was 518.10 lakhs, 2,199.05 lakhs, 2,285.89 Lakhs and 1,770.10 Lakhs comprising of 55.99%, 40.82%, 46.60% and 35.11%, respectively of the total purchase of the Company and Our Company has exports for the period ended July 31, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 amounting to ₹ 509.92 lakhs, ₹ 2,162.41 lakhs, ₹ 1,597.62 Lakhs and ₹ 1,515.86 Lakhs which is comprising of 31.61%, 28.55%, 22.25% and 22.50%, respectively of the total turnover from operations of the Company.

We are, therefore, exposed to risks relating to exchange rate fluctuations. In addition, because our financial statements are presented in Indian Rupees, we are subject to translation risk, which is the risk that our financial statements for a particular period or as of a certain date depend on the prevailing exchange rates of other currencies, against the Indian Rupee. The exchange rate between the Indian Rupee and other foreign currencies has changed considerably in recent years and may further fluctuate in the future. Such fluctuations in currency exchange rates may impact our results of operations. Based on our overseas business operations, we primarily deal in USD. Our foreign currency exposures, exchange rate fluctuations between the Indian Rupee and foreign currencies, especially the USD, may have a material impact on our results of operations, cash flows and financial condition. Our Company has not created any hedge against our foreign currency exposure. In the event, we do not continue to hedge our risks, we may, be exposed to risks arising from exchange rate fluctuations and may not be able to pass on all losses on account of foreign currency fluctuations to our customers.

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

The Offer includes a Fresh Issue and an Offer for Sale of Equity Shares by the Selling Shareholder. While our Company will receive the entire proceeds from the Fresh Issue, the entire proceeds from the Offer for Sale will only be paid to the Selling Shareholders and we will not receive any such proceeds. The expenses to be borne by the Selling Shareholders shall be deducted from the Offer Proceeds to be received by the Selling Shareholders, and only the balance amount of the Offer Proceeds will be transferred to the Selling Shareholders upon listing of the Equity Shares. For further information, see "The Offer" and "Objects of the Offer" on page 46 and Page 72 respectively of this Draft Prospectus.

**45. *We cannot assure you that we will be able to secure adequate financing in future on acceptable terms, in time, or at all.***

We may require additional funds in connection with future business expansion and development initiatives. In addition to our existing available funds, we may need additional sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions or raising additional debt in the capital markets. If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financings could cause our debt-to-equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of any of our business development plans and this may affect our business and future results of operations.

**46. *Any adverse changes in regulations governing our business operations or products or the products of our end-customers, may adversely impact our business, prospects, results of operations and cash flows.***

Government regulations and policies of India can affect the demand for and availability of our products. We may incur and expect to continue incurring costs for compliance with such laws and regulations. Any changes in government regulations and policies, such as the withdrawal of or changes in tax benefits, incentives and subsidies, could adversely affect our business, cash flows and results of operations. An adverse change in the regulations governing the development of our products and use of products by our customers may have an adverse impact on our operations.

We cannot assure you that we will be able to comply with such regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to manufacture or market such products.

**47. *Our Promoters, Directors and Key Management Personnel or Senior Management Personnel may also have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoters may also be interested in our Company to the extent of the Equity Shares held by them in our Company, and any dividends, bonuses or other distributions on such Equity Shares. For details of shareholding of our Promoters in our Company, see "**Capital Structure –Details of shareholding of our Promoters and members of the Promoter Group in our Company**" on page 59 of this Draft Prospectus. We have also availed unsecured loan from certain of our Promoters, Directors and promoter group members. For details on such unsecured loan see "**Restated Financial Statements**" on page 153 of this Draft Prospectus. Our Promoters and Executive Directors are also interested to the extent of any related party transactions with our Company including remuneration, payment of dividend if any etc. For details on related party transactions, see "**Restated Financial Statements**" on page 153 of this Draft Prospectus. Further, our Directors may be interested in our Company to the extent of their shareholding in our Company. For details of shareholding of our directors in our Company, see "**Our Management - shareholding of Directors in our Company**" on page 133 of this Draft Prospectus.

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Offer size above 10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Offer proceeds. However, the audit committee of our Board will monitor the utilization of Offer proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Offer proceeds to the stock exchange while making periodic filing in due compliance of applicable regulation of the listing agreement and in the interest and information of investors and public at large.

**49. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialized, could adversely affect our financial condition.**

As on July 31, 2024, our Company has following contingent liabilities as per restated standalone financials, the details for which are as under:

(Rs. In Lakhs)

Particulars	As at 31st July, 2024*
<b>Claims against the Company not acknowledged as debt:</b>	
Custom Duty saved on import of Capital Goods under EPCG Scheme	1,155.06
Bank Guarantees	291.53
Indirect Tax Liability	282.11
Direct Tax Liability	-
Corporate Guarantee Given by Company	-
Others	696.33
<b>Total</b>	<b>2,425.03</b>

\* As certified by our Statutory Auditors, M/s A O Mittal & Associates, Chartered Accountants, pursuant to their certificate dated September 13, 2024.

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled — Financial Statements Note 153 of this Draft Prospectus.

**50. A significant portion of our Company's total revenue is attributable predominantly from Gujarat only.**

Our Revenues is majorly dependent from the Gujarat state only. We generated almost 54.39% and 59.06% of the total revenue from Gujarat for the financial year ended on 31<sup>st</sup> March, 2024 and period ended July 31, 2024. The heavy reliance on Gujarat exposes our Company to concentration risk. Clients in Gujarat state may contribute a substantial share of our revenue in the future. The loss of a major client or reduced business from significant clients in this region could have a considerable negative impact on our financials. Any adverse economic, regulatory, or business conditions in the said state could significantly impact on our financial performance and overall stability. To reduce revenue dependency from Gujarat state, we will strategically focus on expanding our presence into other regions. By diversifying our operations geographically, we aim to balance revenue generation and minimize the impact of regional risks. While we are cognizant of this risk and are actively implementing mitigation strategies, there can be no assurance that unforeseen events or challenges will not affect our financial performance.

**51. The LM has relied on declarations, undertakings and affidavits for some of the Directors, Promoter and KMPs to include their details in this Draft Prospectus.**

Some of our Directors, Promoter and KMPs have been unable to trace copies of documents pertaining to their professional experiences and have not provided documents of their directorships in other entities.

Accordingly, reliance has been placed on signed resume, declarations, undertakings and affidavits furnished by these Directors, Promoters, and KMPs to the Lead Manager to disclose details of their professional experience in this Draft Prospectus. Accordingly, the Lead Manager has been unable to independently verify these details prior to inclusion in this Draft Prospectus. Further, there can be no assurances that our Directors, Promoters, and KMPs will be able to trace the relevant documents or provide accurate and complete details pertaining to the above information in the future or at all.

**52. We are dependent on our Top 10 suppliers for uninterrupted supply of Raw-Materials. Any shortfall in the supply of our raw materials, or an increase in our raw material costs and other input costs, may adversely affect the pricing and supply of our products with subsequently having an adverse effect on the business, results of operations and financial conditions of our company.**

We procure our supply of raw materials from various approved suppliers depending upon the price and quality of raw materials. However, our Top 10 suppliers contribute significantly to supply of raw materials. Raw materials, including packaging materials, are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. Any disruption of supply of raw materials from these suppliers will adversely affect our operations. The contributions of our top 5 and top 10 suppliers are as follows:

(Amount ₹ In Lakhs)

Particulars	For the period ended on July 31, 2024		For Financial Year ended on March 31, 2024		For Financial Year ended on March 31, 2023		For Financial Year ended on March 31, 2022	
	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase
<b>Top 5</b>	772.63	79.28	4556.31	80.82	3776.86	64.15	3453.98	59.01
<b>Top 10</b>	911.74	93.55	5092.20	90.32	4591.44	77.98	4420.10	75.52

By collaborating exclusively with approved vendors, we ensure a consistent supply of high-quality raw materials at agreed-upon rates and within specified timelines. Additionally, the expansive pool of suppliers within our industry mitigates the potential impact of the loss of any individual supplier on our production processes and, consequently, our overall profitability. This diversified supplier network contributes to the resilience of our supply chain, enabling us to maintain operational continuity and uphold the quality standards that define our business.

**53. *Delay or default in payment to our suppliers may adversely affect financial position of the company***

The Company may face risks associated with delays or defaults in payments to suppliers, particularly in situations where there are disruptions in the working capital cycle. Such delays could strain relationships with key suppliers, potentially resulting in reduced access to essential goods and services, higher costs, or less favorable payment terms. These disruptions could lead to delays in production, customer dissatisfaction, and loss of business, which could harm the Company's reputation and market position. Additionally, payment delays or defaults could expose the Company to legal or financial penalties, increased credit risk, and the need for additional financing, all of which could negatively impact the Company's liquidity, profitability, and overall financial stability.

**54. *We may be subject to labor unrest, strike, slowdowns and work stoppages, which could adversely affect our reputation, business, financial condition and results of operations.***

To carryout our manufacturing process smoothly and efficiently, we have employed skilled employees at our manufacturing unit and registered and administrative office. Furthermore, India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment. At present, we enjoy a good relationship with our employees and have not experienced any labor unrest, lockouts, strikes, slowdowns, work stoppages, unionization or any disruptions of such sort. However there can be no assurance that we may not experience any disruptions in our operations in future as well. In the event that employees seek to unionize, it may become difficult for us to maintain flexible labor policies, and may increase our costs and adversely affect our reputation, business, financial condition and results of operations.

**55. *Our company currently has outstanding export obligations. If we fail to meet these obligations, we may be required to pay customs duty along with interest to the department.***

The details of our pending export obligations as of July 31, 2024, are as follows:

Sr. No.	Particulars	EPCG License No	Balance FOB Value (USD)
1	EPCG Authorization dated 29.04.2019	3430003371	74,18,529.66
	Expiry on 29-04-2025		
2	EPCG Authorization dated 29.04.2019	3430003372	8,63,296.68
	Expiry on 29-04-2025		

The company is required to fulfill these export obligations by April 29, 2025. In the past, we have successfully met our export obligations and, in some instances, obtained extensions of up to two years to comply with the requirements. However, if circumstances beyond the company's control prevent us from fulfilling these obligations within the prescribed timeframe or if we are unable to secure an extension from the authorities, we may be liable to pay a duty of ₹1,155.06 lakhs, along with applicable interest. This could have a significant adverse impact on the company's financial position.

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

We maintain inventory at our premises at all times. Although we have set up security measures, our operations may be subject to incidents of theft or damage to inventory. There can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future which could adversely affect our results of operations and financial condition. Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

**57. *There is an increased awareness towards controlling pollution and many economies including India have joined in the efforts to ban plastic product. In case any plastic packaging products traded by us are banned in India, it could have a material and adverse effect on our business and results of operations.***

Plastic takes many years to decompose and is very dangerous for living beings. Many countries around the world are finding alternatives to the use of plastic products. In this regard, Government has enacted Plastic Waste Management Rules, 2016 for recycling of plastic products and introduced the Extended Producer Responsibility (EPR).

Though, the products of our company are recyclable in nature, we cannot be assured that future measures will not have a negative impact on our business. If the Government of India legislates against the use of plastic products or if regulations for the traders and use of our packaging products are made more stringent, it could have a material and adverse effect on our business and results of operations.

**58. *Pricing pressure from customers may affect our gross margins.***

Our ability to remain competitive and profitable depend on our ability to source and maintain a stable and sufficient supply of raw materials at cost effective prices. Historically, prices of material costs have increased such as Gas and petroleum products which have a significant effect on our gross margins. We depend on external suppliers for our materials on a purchase order basis and place such orders with them in advance on the basis of our



anticipated requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our suppliers. For further information on procurement of our materials, see “*Our Business*” beginning on page 103.

**59. *Under-utilization of our manufacturing capacities and an inability to effectively utilize our existing manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

As on the date of this Draft Prospectus, we have our manufacturing unit located at Block No:- 1241, 1242, 1243, 1244, Padra-Jambusar Highway, Post. Masar, Taluka Padra, Dist. Vadodara, Gujarat, India-391421, which has a production capacity of 90,00,000 Kg p.a. for manufacturing CPE and CPP Films. For the period ended on July 31, 2024 and Fiscals ended on March 31, 2024, 2023 and 2022, Our overall capacity utilization is detailed below in respect of which we have obtained a certificate dated November 07, 2024, from S K Patel, Independent Chartered Engineer:

Particulars	Period from April to July-24	FY24	FY23	FY22
<b>CPP /CPE FILMS</b>				
<b>Installed Capacity</b>				
CPP/CPE Films- (KG)	30,00,000	90,00,000	45,00,000	45,00,000
<b>Total Installed Capacity (KG)</b>	<b>30,00,000</b>	<b>90,00,000</b>	<b>45,00,000</b>	<b>45,00,000</b>
<b>Capacity Utilized (CPP/CPE Films) (KG)</b>	<b>8,92,134</b>	<b>32,66,736</b>	<b>38,65,013</b>	<b>35,25,976</b>
<b>Capacity Utilized (CPP/CPE Films) %</b>	<b>29.74%</b>	<b>36.30%</b>	<b>85.89%</b>	<b>78.36%</b>
<b>GRANULES</b>				
<b>Installed Capacity</b>				
<b>Granules (KG)</b>	<b>3,00,000</b>	<b>9,00,000</b>	<b>9,00,000</b>	<b>9,00,000</b>
<b>Capacity Utilized (KG)</b>	<b>1,57,940</b>	<b>5,44,645</b>	<b>4,46,250</b>	<b>5,93,225</b>
<b>Capacity Utilized Granules %</b>	<b>52.65%</b>	<b>60.52%</b>	<b>49.58%</b>	<b>65.91%</b>

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility as well as on the market demand of the products sold by us. Among others, the capacity utilization also depends upon the availability of raw materials, labour, industry/ market conditions and procurement practice followed by our customers. In the event we are unable to achieve considerable capacity utilization of our current manufacturing facility, it would result in operational inefficiencies which could have a material adverse effect on our business, results, financial condition and future prospects. Under-utilization of our manufacturing capabilities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

## EXTERNAL RISK FACTORS

**60. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in India as well as other countries. Investors’ reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

In addition to the above, our Company is incorporated in India and its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India’s various neighboring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 pandemic;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighboring countries;
- occurrence of natural or man-made disasters (such as typhoons, flooding, earthquakes and fires) which may cause us to suspend our operations;
- prevailing regional or global economic conditions, including in India’s principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;

- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown due to these factors could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

**61. *A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the capital markets may depend significantly on the credit ratings of India. India's sovereign rating was revised in October 2021 from Baa3 with a "negative" outlook to Baa3 with a "stable" outlook by Moody's, and from BBB- with a "stable" outlook to BBB- with a "negative" outlook by Fitch in June 2020; and from BBB with a "negative" outlook to BBB (low) with a "stable" outlook by DBRS in May 2021. India's sovereign ratings from S&P is BBB- with a "stable" outlook. Any further adverse revisions to India's credit ratings by international rating agencies may adversely affect our ratings or terms on which we are able to raise additional finances or refinance any existing indebtedness. This may have an adverse impact on our business and financial performance, shareholders equity and the price of Equity shares.

**62. *Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.***

While we maintain insurance coverage related to our Building, Stock, tankers and for movable assets, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we make a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows. In addition, our products being combustible are exposed to higher risk and in the event of any accidental outbreak of fire, may put our surrounding area / public at risk and expose us to any kind of public liability. Although we always ensure to keep adequate insurance but, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

**64. *If inflation rises in India, increased costs may result in a decline in profits. Inflation rates in India have been volatile in recent years, and such volatility may continue.***

India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs.

Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our clients. Additionally, if we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future

**65. *A third party could be prevented from acquiring control of us because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our Shareholders, such a takeover may not be attempted or consummated because of SEBI (SAST) Regulations, 2011.

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

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

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

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

## **RISKS RELATING TO EQUITY SHARES**

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

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

**69. *The trading volume and market price of the Equity Shares may be volatile following the Offer.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

**70. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company in consultation with the LM through the Fixed Price process. This price will be based on numerous factors, as described under the chapter "Basis for Offer Price" beginning on Page No. 81 of this Draft Prospectus and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

**71. *The Equity Shares have never been publicly traded and the offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

**72. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of

investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters or members of the Promoter Group may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed by the GoI in the Consolidated FDI Policy dated October 15, 2020. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, please refer to the chapter titled "Restrictions on Foreign Ownership of Indian Securities" beginning on Page No. 220 of this Draft Prospectus.

**73. *Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

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

We are not a publicly 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 SEBI Listing Regulations, which will require us to file audited annual and unaudited 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. Further, as a publicly 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. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely manner.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India.

**76. *Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the listing and commencement of trading of Equity Shares. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Offer is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take time from the Bid/Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

**77. *Investors will not have the option of getting the allotment of Equity Shares in physical form.***

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, please refer to the chapter titled "Terms of the Offer" beginning on Page No. 182 of this Draft Prospectus. This may impact the ability of our shareholders to receive the Equity Shares in the Offer.

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

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge being collected by the central and state governments. The GST has led to increase tax incidence and administrative compliance. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

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## SECTION IV - INTRODUCTION

### THE OFFER

The following table summarizes the offer details of this Draft Prospectus:

<b>Offer of Equity Shares</b> (1) (2)	Upto 69,70,000 Equity Shares of face value of ₹ 10/- each fully paid up of our company at a price of ₹ [●] per Equity share aggregating up to ₹ [●] lakhs comprising upto 37,70,000 equity shares of face value of ₹ 10/- each fully paid up of fresh offer and Offer for Sale upto 32,00,000 equity shares of face value of ₹ 10/- each fully paid up.
<b>of which:</b>	
<b>Market Maker Portion Reservation</b>	Offer of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
<b>Net Offer to Public*</b> (3)	Offer of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] lakhs
<b>of which:</b>	
	[●] Equity Shares having face value of ₹10/- each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to Retail Individual Investors
	[●] Equity Shares having face value of ₹10/- each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
<b>Pre and post-offer Equity Shares</b>	
<b>Equity Shares outstanding prior to the Offer</b>	2,12,20,000 Equity Shares of face value of ₹ 10.00/- each.
<b>Equity Shares outstanding after the Offer</b>	[●] Equity Shares
<b>Use of Net Proceeds</b>	Please refer “Objects of the Offer” on page 72 for further information about the use of the Net Proceeds.

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

1. This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details, please see “Offer Information” on page 182 of this Draft Prospectus.
2. The present offer has been authorised pursuant to a resolution by our Board of Directors at its meeting dated June 28, 2024 and the offer by our shareholders has been authorized by a special resolution at their meeting dated July 01, 2024 pursuant to Section 62 (1)(c) and Section 23 of the Companies Act, 2013. Further, our Board has taken on record the approval for the offer for sale by the Selling Shareholder pursuant to its resolution dated June 28, 2024. Further, our Board has taken on record the approval for the offer for sale by the Selling Shareholder pursuant to its resolution dated June 28, 2024.

Since, the Offer is being made under Chapter IX of the SEBI ICDR Regulations, 2018, the requirement of Regulation 8 is not applicable and accordingly, the Selling Shareholders have confirmed that the Equity Shares proposed to be offered and sold in the Offer are therefore eligible in term of SEBI (ICDR) Regulations, 2018 and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale. For details, see “Other Regulatory and Statutory Disclosures - Authority for the Offer” on page 174 of this Draft Prospectus. Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in terms of the SEBI ICDR Regulations. Each Selling Shareholders has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 174 of this Draft Prospectus. The Selling Shareholders have consented to participate in the Offer for Sale in the following manner:

Sr. No.	Name of the Selling Shareholders	Date of Consent Letter	No. of Equity Shares offered in the Offer for Sale
1	Ashokbhai Dhanjibhai Babariya	28.06.2024	Upto 10,70,000
2	Mukesh Dhanjibhai Babariya	28.06.2024	Upto 10,65,000
3	Gulabben Nitin Babariya	28.06.2024	Upto 10,65,000

3. The allocation is the net offer to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:
  - a. Minimum fifty percent to retail individual investors; and
  - b. Remaining to:

i.individual applicants other than retail individual investors; and

ii.other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

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

*Explanation – For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the offer size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.*

*For further details please see “Offer Structure” beginning on page 188 of this Draft Prospectus.*

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## SUMMARY OF FINANCIAL INFORMATION

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information Financial Years for the period of Four months ended on July 31, 2024 and financial year ended March 31, 2024, 2023 and 2022. The Restated Financial Information referred to above is presented under the section titled “**Financial Information**” beginning on Page No. 153 of this Draft 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. 153 and 158, respectively of this Draft Prospectus.*

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**Restated Statement of Assets and Liabilities**
**(Rs. In Lakhs)**

Particulars	Annexure	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Equity and Liabilities</b>					
<b>Shareholders' Funds</b>					
Share Capital	5	2122.00	2122.00	2122.00	2122.00
Reserves and Surplus	6	1132.88	970.08	540.91	449.14
<b>Total Equity</b>		<b>3254.88</b>	<b>3092.08</b>	<b>2662.91</b>	<b>2571.14</b>
<b>Non-Current Liabilities</b>					
Long-Term Borrowings	7	6323.29	7214.85	6307.57	7237.36
Deferred Tax Liabilities (Net)	8	100.30	46.06	-100.81	-143.22
Other Long-Term Liabilities	9	-	-	-	-
Long-Term Provisions	10	21.71	21.94	16.74	-
<b>Total Non- Current Liabilities</b>		<b>6445.30</b>	<b>7282.85</b>	<b>6223.51</b>	<b>7094.15</b>
<b>Current liabilities</b>					
Short-term borrowings	7	3319.50	3440.26	3548.19	2696.01
Trade payables	11				
i) Total outstanding dues of micro enterprise and small enterprise		56.78	103.85	492.52	336.95
ii) Total outstanding dues other than micro enterprise and small enterprise		585.99	484.34	315.50	303.99
Other current liabilities	12	328.95	57.77	36.30	33.84
Short-term provisions	10	26.56	23.27	24.66	37.44
<b>Total Current Liabilities</b>		<b>4317.78</b>	<b>4109.49</b>	<b>4417.17</b>	<b>3408.22</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>14017.96</b>	<b>14484.42</b>	<b>13303.58</b>	<b>13073.51</b>
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment and Intangibe Assets					
(i) Property, Plant and Equipment	13	7736.06	7838.30	8132.15	8360.05
(iii) Intangible Assets		360.41	287.23	8.11	24.22
Non-current investments	14	-	-	-	-
Long-Term Loans and Advances	15	3.44	.30	1.33	1.33
Other Non-Current Assets	16	285.82	282.33	276.64	260.55
<b>Total Non-Current Assets</b>		<b>8385.74</b>	<b>8408.17</b>	<b>8418.23</b>	<b>8646.15</b>
<b>Current Assets</b>					
Inventories	17	5173.74	4983.26	4296.00	3215.32
Trade Receivables	18	355.56	956.49	429.01	569.82
Cash and Cash Equivalent	19	48.07	94.53	52.06	358.20
Short-Term Loans and Advances	15	22.82	9.94	6.11	161.58
Other Current Assets	16	32.03	32.03	102.17	122.44
<b>Total Current Assets</b>		<b>5632.22</b>	<b>6076.25</b>	<b>4885.35</b>	<b>4427.36</b>
<b>TOTAL ASSETS</b>		<b>14017.96</b>	<b>14484.42</b>	<b>13303.58</b>	<b>13073.51</b>

**Restated Statement of Profit and Loss**
**(Rs. In Lakhs)**

Particulars	Annexure	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Revenue</b>					
Revenue from operations	20	1613.40	7574.89	7179.90	6737.79
Other income	21	17.51	64.90	102.03	69.41
<b>Total Income</b>		<b>1630.91</b>	<b>7639.79</b>	<b>7281.93</b>	<b>6807.20</b>
<b>Expenses</b>					
Cost of materials consumed	22	925.32	3314.32	4905.34	5041.56
Purchase of Stock in Trade	23	-	2071.97	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	-141.21	-435.79	-98.32	-396.92
Employee Benefits Expense	25	112.32	337.49	346.20	336.40
Finance Costs	26	204.69	676.17	631.78	603.14
Depreciation and amortisation Expense	13	116.65	311.69	326.71	319.13
Other Expenses	27	196.11	787.88	1036.06	957.98
<b>Total Expenses</b>		<b>1413.87</b>	<b>7063.74</b>	<b>7147.75</b>	<b>6861.30</b>
<b>PROFIT BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX</b>		<b>217.04</b>	<b>576.04</b>	<b>134.17</b>	<b>-54.09</b>
Exceptional/Prior Period Items		-	-	-	1.45
<b>PROFIT BEFORE TAX</b>		<b>217.04</b>	<b>576.04</b>	<b>134.17</b>	<b>-55.55</b>
<b>Tax Expense</b>					
Current tax		-	-	-	-
Deferred tax (credit)/charge		54.24	146.87	42.41	-21.09
<b>Total Tax Expenses</b>		<b>54.24</b>	<b>146.87</b>	<b>42.41</b>	<b>-21.09</b>
<b>Profit for the period / year</b>		<b>162.80</b>	<b>429.17</b>	<b>91.76</b>	<b>-34.46</b>
<b>Earnings per equity share of Rs. 10/- each (in Rs.)</b>					
a) Basic/Diluted EPS		<b>0.77</b>	<b>2.02</b>	<b>0.43</b>	<b>-0.16</b>
b) Adjusted/Diluted EPS after Bonus Issue		<b>0.77</b>	<b>2.02</b>	<b>0.43</b>	<b>-0.16</b>



**Restated Statement of Cash Flows**
**(Rs. In Lakhs)**

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. Cash flow from operating activities</b>				
<b>Profit before tax, as restated</b>	217.04	576.04	134.17	-55.55
<b>Adjustments for :</b>				
Depreciation and amortisation expense	116.65	311.69	326.71	319.13
Finance costs	192.92	618.73	631.78	603.14
Interest & Dividend income	-	2.26	2.15	1.98
<b>Operating profit before working capital changes</b>	<b>526.61</b>	<b>1508.73</b>	<b>1094.81</b>	<b>868.70</b>
<b>Changes in working capital:</b>				
(Increase) / decrease Inventories	-190.48	-687.26	-1080.68	-1208.20
(Increase) / decrease in Trade Receivables	600.94	-527.49	140.81	107.05
(Increase) / decrease in Other Current Assets	-	70.14	20.27	-10.35
Increase / (decrease) in Trade Payables	54.58	-219.83	167.08	-87.03
Increase / (decrease) in Other Current Liabilities	271.18	21.47	2.45	17.14
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	-.23	5.20	16.74	-
Increase / (decrease) in Long Term Liabilities	-	-	-	-
(Increase) / decrease in Non Current Assets	-3.49	-5.69	-16.09	-16.82
Increase / (decrease) in Short Term Provision	3.29	-1.40	-12.77	8.95
<b>Cash generated from / (utilised in) operations</b>	<b>1262.40</b>	<b>163.87</b>	<b>332.63</b>	<b>-320.55</b>
Less: Income tax paid	-	-	-	-
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>1262.40</b>	<b>163.87</b>	<b>332.63</b>	<b>-320.55</b>
<b>B. Cash flow from investing activities</b>				
(Purchase)/Sale of property, plant and equipment	-87.59	-296.97	-82.71	-37.07
Capital Work In Progress				
Net of Purchase/ Proceeds from Sale of Investments	-3.14	1.03	.00	48.92
Interest and Dividend Received	-	-2.26	-2.15	-1.98
Increase in Investment				
<b>Net cash flow utilised in investing activities (B)</b>	<b>-90.73</b>	<b>-298.20</b>	<b>-84.85</b>	<b>9.87</b>
<b>C. Cash flow from financing activities</b>				
(Increase) / decrease in Short Term Loans and Advances	-12.88	-3.83	155.47	-97.64
Net of Repayment/Proceeds from Short Term Borrowings	-120.76	-107.93	852.18	399.62
Net of Repayment/Proceeds from Long Term Borrowings	-891.56	907.28	-929.79	931.04
Interest/Finance Charges Paid	-192.92	-618.73	-631.78	-603.14
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>-1218.13</b>	<b>176.79</b>	<b>-553.92</b>	<b>629.88</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>-46.46</b>	<b>42.47</b>	<b>-306.14</b>	<b>319.19</b>
Cash and cash equivalents at the beginning of the period/ year	<b>94.53</b>	<b>52.06</b>	<b>358.20</b>	<b>39.00</b>
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>48.07</b>	<b>94.53</b>	<b>52.06</b>	<b>358.20</b>

## GENERAL INFORMATION

Our Company was originally incorporated as “3B Films Private Limited” a private limited company under the Companies Act, 2013 with the Registrar of Companies (“ROC”), Gujarat pursuant to Certificate of Incorporation dated September 03, 2014. Our Company was converted into Public Limited Company and name of company was changed from “3B Films Private Limited” to “3B Films Limited” pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 14<sup>th</sup> March, 2024. The CIN of the Company is U25200GJ2014PLC080685. For further details please refer to the chapter titled “History and Corporate Structure” beginning on Page No. 130 of this Draft Prospectus.

For further details including details of change in registered office of our Company, please refer to chapter titled “History and Certain Corporate Matters” beginning on page 130 of this Draft Prospectus.

<b>Registered Office</b>	SF 220, Pancham Icon Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007 <b>Telephone:</b> +91 6359 632600 <b>E-mail:</b> <a href="mailto:info@3bfilms.com">info@3bfilms.com</a> <b>Investor grievance id:</b> <a href="mailto:cs@3bfilms.com">cs@3bfilms.com</a> <b>Website:</b> <a href="http://www.3bfilms.com">www.3bfilms.com</a> <b>CIN:</b> U25200GJ2014PLC080685
<b>Corporate Office</b>	Block No 1241, 1242, 1243, 1244, Padra Jambusar Highway, Masar, Padra, Vadodara, Gujarat, India, 391421 <b>Telephone:</b> +91-7202903335

### Address of Registrar of Companies

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

ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

### Board of Directors of our Company

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

No.	Name	Designation	DIN	Address
01.	Ashokbhai Dhanjibhai Babariya	Managing Director	03363509	904, Milestone, Behind New Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara-391410, Gujarat.
02.	Dishank Nitin Babariya	Whole-time director	10499582	904, Milestone, Behind New Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara-391410, Gujarat.
03.	Mukesh Dhanjibhai Babariya	Non-Executive Director	06904399	25-26 Shantivan Society, Opp. J.B. Circle, L.H. Road, Varachha Road, Surat-395006, Gujarat
04.	Abhishek Ileshkumar Shah	Independent Director	10048431	D-503, Shyamhills, Behind Savan Bunglows, Near GST Railway Fatak, New Ranip, Ahmedabad-382470, Gujarat
05.	Drashti Laxmikant Solanki	Independent Director	10136197	Plot No. 821/2, Sector-7/C, Gandhinagar-382007, Gujarat
06.	Chintan Hemantkumar Joshi	Independent Director	10513766	B/21, Swapnalok Flats, Opp. Bank of Baroda, Karelilbaug, Vadodara-390018, Gujarat

For detailed profile of our Directors, please refer to the chapter titled “Our Management” on page 133 of the Draft Prospectus.

Company Secretary & Compliance Officer	Chief Financial Officer
<b>Ms. Janki Raj</b> <b>3B Films Limited</b> <b>Address:</b> SF 220 Pancham Icon Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007 <b>Telephone:</b> +91 63596 32600 <b>E-mail:</b> <a href="mailto:cs@3bfilms.com">cs@3bfilms.com</a>	<b>Mr. Dhavalkumar Maheshbhai Panchal</b> <b>3B Films Limited</b> <b>Address:</b> SF 220 Pancham Icon Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007 <b>Telephone:</b> +91 63596 32600 <b>E-mail:</b> <a href="mailto:cfo@3bfilms.com">cfo@3bfilms.com</a>

### Investor grievances

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

All grievances relating to the Offer other than the Anchor Investors may be addressed to the Registrar to the Offer 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 LM, 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 offer related queries and for redressal of complaints, investors may also write to the Lead Manager.

#### Details of Key Intermediaries pertaining to this Offer of our Company:

Lead Manager to the Offer	Registrar to the Offer
<b>Nirbhay Capital Services Private Limited</b> <b>CIN:</b> U67120GJ2006PTC047985 <b>Address:</b> 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad380054, Gujarat, India. <b>Tel. No.:</b> +91 79 48970649, <b>M. No.:</b> +91 9825052071, <b>Fax No.:</b> N.A. <b>Email:</b> <a href="mailto:kunjal@nirbhaycapital.com">kunjal@nirbhaycapital.com</a> <b>Investor Grievance Email:</b> <a href="mailto:ipo@nirbhaycapital.com">ipo@nirbhaycapital.com</a> <b>Website:</b> <a href="http://www.nirbhaycapital.com">www.nirbhaycapital.com</a> <b>Contact Person:</b> Mr. Kunjal Soni <b>SEBI Registration Number.:</b> INM000011393	<b>Maashitla Securities Private Limited</b> <b>CIN:</b> U67100DL2010PTC208725 <b>Address:</b> 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi -110034, India <b>Telephone:</b> 011-45121795 <b>Email:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> <b>Investor Grievance e-mail:</b> <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a> <b>Website:</b> <a href="http://www.maashitla.com">www.maashitla.com</a> <b>Contact Person:</b> Mr. Mukul Agarwal <b>SEBI Registration Number:</b> INR000004370
Legal Advisor to the Offer	
<b>Vidhigya Associates, Advocates</b> <b>Address:</b> 105, First Floor A wing, Kanara Business Centre, Ghatkopar East, Mumbai – 400075 <b>Contact No.:</b> +91 8424030160 <b>Email:</b> <a href="mailto:rahul@vidhigyaassociates.com">rahul@vidhigyaassociates.com</a> <b>Contact Person:</b> Rahul Pandey	
A Peer Review and Statutory Auditors of our Company	
<b>A O Mittal &amp; Associates</b> Chartered Accountants <b>Address:</b> TF-01, Raama Esquire, New VUDA Residency, Near Tithi Heights, Gotri Sevasi Road, Vadodara-390021. <b>FRN:</b> 014640C <b>Peer Review No.:</b> 015807 <b>Contact Person:</b> CA Shesha Soni <b>Membership No.:</b> 542840 <b>Contact No.:</b> +91 9772161615 <b>Email:</b> <a href="mailto:office@aomittal.com">office@aomittal.com</a> <b>Website:</b> <a href="http://www.aomittal.com">www.aomittal.com</a>	
Bankers to Our Company	
<b>CENTRAL BANK OF INDIA</b> <b>CIN:</b> U99999MH1911PTC000337 <b>Address:</b> MCB, Baroda Branch <b>Contact No. :</b> 02652-960564 <b>Email:</b> <a href="mailto:bmbaro3875@centralbank.co.in">bmbaro3875@centralbank.co.in</a> <b>Website:</b> <a href="http://www.centralbankofindia.co.in">www.centralbankofindia.co.in</a> <b>Contact Person:</b> Mr. Shishir Ranjan	<b>BANK OF BARODA</b> <b>CIN:</b> U99999MH1911PLC007676 <b>Address:</b> EDB Alkapuri Branch, Baroda <b>Contact No. :</b> 9152940749 <b>Email:</b> <a href="mailto:dbalka@bankofbaroda.co.in">dbalka@bankofbaroda.co.in</a> <b>Contact Person:</b> Mrs. Urmila Varma
Banker to the Offer*	Sponsor Bank*
[●]	[●]
Refund Bank*	Syndicate Member*
[●]	[●]

\*The Banker to the Offer, Refund Bank, Sponsor Bank and Syndicate Member shall be appointed prior to filing of the Prospectus with the RoC.

#### 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 Offer s 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 SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), as updated from time to time. For details of Registered Brokers, please refer <http://www.sebi.gov.in/sebiweb/other/otherAction.do?doRecognised=yes>.

#### *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 SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) as updated from time to time. For details of RTA, please refer <http://www.sebi.gov.in/sebiweb/other/otherAction.do?doRecognised=yes>

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

#### **IPO Grading**

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

#### **Credit Rating**

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

#### **Green Shoe Option**

No Green Shoe Option is applicable for this Offer.

#### **Brokers to the Offer**

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

#### **Debenture Trustees**

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

#### **Monitoring Agency**

As the Net Proceeds of the Offer will be less than ₹10,000 lakhs, 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 independent agency / bank/financial institution.

#### **Expert Opinion**

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

Our Company has received written consent from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated September 12, 2024 on our restated financial information; and (ii) its report dated September 13, 2024 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

#### **Inter-se Allocation of Responsibilities**

Nirbhay Capital Services Private Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Offer. Hence, a statement of inter se allocation of responsibilities is not required.

## Filing

The Draft Prospectus will not be filed with SEBI, nor will SEBI Offer any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of Prospectus shall be furnished to the Board. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Draft Prospectus, will be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Prospectus, along with the material contracts and documents will also be 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

Except as stated below, there has been no change in the Auditors of our Company during the last three years:

Name of Auditor	Date of Change	Reason for change
<b>A O Mittal &amp; Associates</b> Chartered Accountants Address: TF-01, Raama Esquire, New VUDA Residency, Near Tithi Heights, Gotri Sevasi Road, Vadodara-390021 Contact No.: 9772161615 Email: <a href="mailto:office@aomittal.com">office@aomittal.com</a> FRN: 014640C <b>Peer Review No.:</b> 015807	25/09/2024	Appointment as the Statutory Auditor for five years i.e., from FY 2024-25 to FY 2028-29
<b>A O Mittal &amp; Associates</b> Chartered Accountants Address: TF-01, Raama Esquire, New VUDA Residency, Near Tithi Heights, Gotri Sevasi Road, Vadodara-390021 Contact No.: 9772161615 Email: <a href="mailto:office@aomittal.com">office@aomittal.com</a> FRN: 014640C <b>Peer Review No.:</b> 015807	28/06/2024	Appointment in Causal Vacancy
<b>VUSA &amp; ASSCOIATES LLP</b> Chartered Accountants B 48, Morari Park Society, Besides Iskon Temple, Gotri, Vadodara. Email: <a href="mailto:vipsol@yahoo.com">vipsol@yahoo.com</a> FRN: 145378W	27/06/2024	Resignation as the Statutory Auditors due to specific requirement of Peer Review Audit Certification.
<b>VUSA &amp; ASSCOIATES LLP</b> Chartered Accountants B 48, Morari Park Society, Besides Iskon Temple, Gotri, Vadodara. Email: <a href="mailto:vipsol@yahoo.com">vipsol@yahoo.com</a> FRN: 145378W	30/09/2022	Appointment as the Statutory Auditors for five years i.e., from FY 2022-23 to FY 2026-27
<b>VUSA &amp; ASSCOIATES LLP</b> Chartered Accountants B 48 Morari Park Society, Besides Iskon Temple, Gotri, Vadodara. Email: <a href="mailto:vipsol@yahoo.com">vipsol@yahoo.com</a> FRN: 145378W	20/06/2022	Appointment as the Statutory Auditors in causal vacancy
<b>Bharat H Shah &amp; Co.</b> Chartered Accountants 319/320 Super Mall, Nr. Lal Bungalow, C.G. Road, Navrangpura, Ahmedabad-380006. Email: <a href="mailto:cabharatshah@yahoo.com">cabharatshah@yahoo.com</a> FRN: 101217W	30/05/2022	Resignation as the Statutory Auditors due to pre-occupation in other assignments.

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

- Check eligibility for making a Bid (see section titled “Offer Procedure” on page 190 of this Draft 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 Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Prospectus and in the Bid cum Application Form;



**Bid/Offer Program:**

Events	Indicative Dates
Bid/Offer Opening Date	[●]
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or Before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or Before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or Before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or Before [●]

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidder on Bid/ Offer Closing Date maybe extended in consultation with the Lead Manager, RTA and BSE Limited taking into account the total number of applications received up to the closure of timings.

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

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, 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 Bidder, the Registrar to the Offer shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**WITHDRAWAL OF THE OFFER**

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

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

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

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

**UNDERWRITING AGREEMENT**

The Company and the Lead Manager to the offer hereby confirm that the offer will be 100% Underwritten by the Underwriters [●].

Pursuant to the terms of the Underwriting Agreement dated [●] 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:

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Offer size
[●]	[●]	[●]	[●]

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

In 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 OFFER

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Name, address, telephone number and e-mail address of the Market Maker	Indicative Number of shares	Amount	% of the total Offer size
[●]	[●]	[●]	[●]

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

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE 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 Offer Size (Including the [●] Equity Shares ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above [●] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of market maker in our Company reduce to 24% of Offer 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, BSE 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
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:** SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.

12. **Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the

Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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:

- a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer 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 Offer 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 / BSE Limited from time to time.

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## CAPITAL STRUCTURE

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

(in ₹, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Offer Price
<b>A</b>	<b>Authorized Share Capital</b>		
	2,50,00,000 Equity Shares having Face Value of ₹ 10/- each	25,00,00,000	-
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Offer</b>		
	2,12,20,000 Equity Shares having Face Value of ₹10/- each	21,22,00,000	-
<b>C</b>	<b>Present Offer in terms of this Draft Prospectus*</b>		
	Upto 69,70,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share	[●]	[●]
	<b>Which comprises of:</b>		
	Fresh Offer of up to 37,70,000 Equity Shares of Face Value of ₹ 10/- each at a Premium of ₹ [●] - per Share	[●]	[●]
	Offer for sale of up to 32,00,000 Equity Shares of Face Value of ₹ 10/- each at a Premium of ₹ [●] - per Share	[●]	[●]
	<b>Consisting of:</b>		
<b>D</b>	<b>Reservation for Market Maker Portion</b> [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion	[●]	[●]
<b>E</b>	<b>Net Offer to Public</b> Net Offer to Public of [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public	[●]	[●]
	<b>Of which: **</b>		
	<b>Allocation to Retail Individual Investor:</b> Upto [●] Equity Shares of Face Value of ₹ 10/- each at a Premium of ₹ [●] - per Share i.e. 50% of the Net Offer shall be available for allocation to Retail Individual Investors	[●]	[●]
	<b>Allocation to Other than Retail Individual Investors:</b> Upto [●] Equity Shares of Face Value of ₹ 10/- each at a Premium of ₹ [●] - per Share i.e. 50% of the Net Offer shall be available for allocation to other than Retail Individual Investors	[●]	[●]
<b>F</b>	<b>Issued, Subscribed and Paid up Equity Share Capital after the Offer***</b>		
	Upto [●] Equity Shares of face value of ₹10/- each	[●]	
<b>G</b>	<b>Securities Premium Account</b>		
	Before the Offer (as on date of this Draft Prospectus)	8,78,40,000	
	After the Offer	[●]	

\* The present offer has been authorized pursuant to a resolution of our Board of Directors dated June 28, 2024 and a Special Resolution of our Shareholders at an Extra-Ordinary General Meeting dated July 01, 2024 under Section 62(1)(c) of the Companies Act, 2013.

\*\*Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories, would be allowed to be met with spillover from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Stock Exchange i.e. SME Platform of BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Offer and its allocation various categories, please refer chapter titled "The Offer" on page no. 46 of the Draft Prospectus

\*\*\*Subject to finalization of Basis of Allotment.

Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in terms of the SEBI ICDR Regulations. Each Selling Shareholders has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. Each of the Selling Shareholders confirms that the Equity Shares being offered by each of the Selling Shareholders have been held by such Selling Shareholder for a period of at least one year prior to the date of filing of this Draft Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. Our Board of Directors has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to a resolution dated June 28, 2024. For details on the authorisation of the Selling

Shareholders in relation to the Offered Shares, see “**Other Regulatory and Statutory Disclosures – Authority for the Offer**” on page 174 of this Draft Prospectus.

## 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, as on the date of the Draft Prospectus. Our Company has not issued any partly paid up Equity Shares since its incorporation nor does it have any partly paid up equity shares as on the date of the Draft Prospectus. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of changes in Authorized Share Capital of our Company

The initial authorised capital of our Company was ₹ 1,00,00,000 consisting of 10,00,000 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	
November 07, 2016	₹ 1,00,00,000 consisting of 10,00,000 Equity Shares of ₹ 10 each	₹ 12,50,00,000 consisting of 1,25,00,000 Equity Shares of ₹ 10 each	EGM
February 28, 2018	₹ 12,50,00,000 consisting of 1,25,00,000 Equity Shares of ₹ 10 each	₹ 20,00,00,000 consisting of 2,00,00,000 Equity Shares of ₹ 10 each	EGM
March 10, 2020	₹ 20,00,00,000 consisting of 2,00,00,000 Equity Shares of ₹ 10 each	₹ 23,00,00,000 consisting of 2,30,00,000 Equity Shares of ₹ 10 each	EGM
March 14, 2024	₹ 23,00,00,000 consisting of 2,30,00,000 Equity Shares of ₹ 10 each	₹ 25,00,00,000 consisting of 2,50,00,000 Equity Shares of ₹ 10 each	EGM

### 2. History of Issued and Paid up Equity Share Capital our Company:

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	10000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	10,000	1,00,000
March 23, 2015	9,90,000	10	10	Other than Cash	Conversion of Loan to Equity Shares <sup>(2)</sup>	10,00,000	1,00,00,000
November 15, 2016	1,15,00,000	10	10	Other than Cash	Conversion of Loan to Equity Shares <sup>(3)</sup>	1,25,00,000	12,50,00,000
March 22, 2018	75,00,000	10	10	Other than Cash	Conversion of Loan to Equity Shares <sup>(4)</sup>	2,00,00,000	20,00,00,000
March 30, 2020	12,20,000	10	82	Other than Cash	Preferential Issue <sup>(5)</sup>	2,12,20,000	21,22,00,000

<sup>1.</sup> Initial Subscription to the MOA for the total of 10,000 Equity Shares of Face Value Rs. 10/- each as per the details given below;

Sr. No.	Name	No. of Equity Shares
1	Ashokbhai Dhanjibhai Babariya	3334
2	Mukesh Dhanjibhai Babariya	3333
3	Nitinbhai Dhanjibhai Babariya	3333
<b>Total</b>		<b>10000</b>

<sup>2.</sup> Conversion of Unsecured Loan to Equity Shares of a total of 9,90,000 Equity Shares of Face Value Rs. 10/- each as per the details given below;

Sr. No.	Name	No. of Equity Shares
1	Ashokbhai Dhanjibhai Babariya	3,30,000
2	Mukesh Dhanjibhai Babariya	3,30,000
3	Gulabben Nitinbhai Babariya	3,30,000
<b>Total</b>		<b>9,90,000</b>



3. *Conversion of Unsecured Loan to Equity Shares of a total of 1,15,00,000 Equity Shares of Face Value Rs. 10/- each as per the details given below;*

Sr. No.	Name	No. of Equity Shares
1	Ashokbhai Dhanjibhai Babariya	38,34,166
2	Mukesh Dhanjibhai Babariya	38,32,917
3	Gulabben Nitinbhai Babariya	38,32,917
<b>Total</b>		<b>1,15,00,000</b>

4. *Conversion of Unsecured Loan into a total of 75,00,000 Equity Shares of Face Value Rs. 10/- each as per the details given below;*

Sr. No.	Name	No. of Equity Shares
1	Ashokbhai Dhanjibhai Babariya	25,00,000
2	Mukesh Dhanjibhai Babariya	25,00,000
3	Gulabben Nitinbhai Babariya	13,30,000
4	Nitinbhai Dhanjibhai Babariya	11,70,000
<b>Total</b>		<b>75,00,000</b>

5. *Preferential Issue by Conversion of Loan into a total of 12,20,000 Equity Shares of Face Value Rs. 10/- each as per the details given below;*

Sr. No.	Name	No. of Equity Shares
1	Ashokbhai Dhanjibhai Babariya	4,06,748
2	Mukesh Dhanjibhai Babariya	4,06,626
3	Gulabben Nitinbhai Babariya	3,35,256
4	Nitinbhai Dhanjibhai Babariya	71,370
<b>Total</b>		<b>12,20,000</b>

### 3. Preference Share capital history of our Company

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

### 4. Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:

- Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Name of Allottee (s)	No. of Equity Shares allotted
March 23, 2015	9,90,000	10	10	Allotment of 9,90,000 Equity Shares against the conversion of unsecured loan.	Debt Obligation reduced and Expansion of Capital base.	Ashokbhai Dhanjibhai Babariya	3,30,000
						Mukesh Dhanjibhai Babariya	3,30,000
						Gulabben Nitinbhai Babariya	3,30,000
November 15, 2016	1,15,00,000	10	10	Allotment of 1,15,00,000 Equity Shares against the conversion of unsecured loan.	Debt Obligation reduced and Expansion of Capital base.	Ashokbhai Dhanjibhai Babariya	38,34,166
						Mukesh Dhanjibhai Babariya	38,32,917
						Gulabben Nitinbhai Babariya	38,32,917
March 22, 2018	75,00,000	10	10	Allotment of 75,00,000 Equity Shares against the conversion of unsecured loan.	Debt Obligation reduced and Expansion of Capital base.	Ashokbhai Dhanjibhai Babariya	25,00,000
						Mukesh Dhanjibhai Babariya	25,00,000
						Gulabben Nitinbhai Babariya	13,30,000
						Nitinbhai Dhanjibhai Babariya	11,70,000
March 30, 2020	12,20,000	10	82	Allotment of 12,20,000 Equity Shares against the conversion of unsecured loan.	Debt Obligation reduced and Expansion of Capital base.	Ashokbhai Dhanjibhai Babariya	4,06,748
						Mukesh Dhanjibhai Babariya	4,06,626
						Gulabben Nitinbhai Babariya	3,35,256
						Nitinbhai Dhanjibhai Babariya	71,370

- As of date of this Draft Prospectus, our Company has not revalued its assets since inception and have not issued any Equity Shares (including a bonus shares if any) by capitalizing its revaluation reserves.

5. As of date of this Draft 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 230-234 of the Companies Act, 2013.

6. Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.



7. Our Company has not issued any Equity Shares at a price lower than the Offer Price during a period of the one year preceding the date of this Draft Prospectus:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
-	-		-	-	-	-

**8. Shareholding Pattern of our Company**

The table below represents the current shareholding pattern of our Company before the Offer as per Regulation 31 of the SEBI (LODR) Regulations, 2015 as on the date of this Draft Prospectus:

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

\*All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on SME Platform of BSE.

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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 underlying 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 and Promoter Group	7	2,05,30,000	-	-	2,05,30,000	96.75	2,05,30,000	2,05,30,000	96.75	-	96.75	-	-	-	-	2,05,30,000
(B)	Public	11	6,90,000	-	-	6,90,000	3.25	6,90,000	6,90,000	3.25	-	3.25	-	-	-	-	6,90,000
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>18</b>	<b>2,12,20,000</b>	<b>-</b>	<b>-</b>	<b>2,12,20,000</b>	<b>100.00</b>	<b>2,12,20,000</b>	<b>2,12,20,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,12,20,000</b>

(1) As on the date of this Draft Prospectus 1 Equity Share holds 1 vote.

(2) PAN of the Shareholders will be provided by our Company prior to Listing of Equity Shares on the Stock Exchange.

(3) Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares.

**9. 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 Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Offer Equity Share Capital
1.	Ashokbhai Dhanjibhai Babariya	53,58,848	25.25%
2.	Mukesh Dhanjibhai Babariya	57,81,876	27.25%
3.	Gulabben Nitin Babariya	56,01,506	26.40%
4.	Dishank Nitin Babariya	12,41,370	5.85%
5.	Mithil Ashokkumar Babariya	10,61,000	5.00%
6.	Harshaben Mukeshbhai Babariya	10,61,000	5.00%
7.	Heena Ashokbhai Babariya	4,24,400	2.00%
8.	Manojbhai Parshottambhai Babariya	2,25,000	1.06%
<b>Total</b>		<b>2,07,55,000</b>	<b>97.81%</b>

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 Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Offer Equity Share Capital
1.	Ashokbhai Dhanjibhai Babariya	53,58,848	25.25%
2.	Mukesh Dhanjibhai Babariya	57,81,876	27.25%
3.	Gulabben Nitin Babariya	56,01,506	26.40%
4.	Dishank Nitin Babariya	12,41,370	5.85%
5.	Mithil Ashokkumar Babariya	10,61,000	5.00%
6.	Harshaben Mukeshbhai Babariya	10,61,000	5.00%
7.	Heena Ashokbhai Babariya	4,24,400	2.00%
8.	Manojbhai Parshottambhai Babariya	2,25,000	1.06%
<b>Total</b>		<b>2,07,55,000</b>	<b>97.81%</b>

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 Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Offer Equity Share Capital
1.	Ashokbhai Dhanjibhai Babariya	70,74,248	33.34%
2.	Mukesh Dhanjibhai Babariya	70,72,876	33.33%
3.	Gulabben Nitin Babariya	58,31,506	27.48%
4.	Nitinbhai Dhanjibhai Babariya	12,41,370	05.85%
<b>Total</b>		<b>2,12,20,000</b>	<b>100.00%</b>

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 Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Offer Equity Share Capital
1.	Ashokbhai Dhanjibhai Babariya	70,74,248	33.34%
2.	Mukesh Dhanjibhai Babariya	70,72,876	33.33%
3.	Gulabben Nitin Babariya	58,31,506	27.48%
4.	Nitinbhai Dhanjibhai Babariya	12,41,370	05.85%
<b>Total</b>		<b>2,12,20,000</b>	<b>100.00%</b>

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 the Draft 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 Draft Prospectus.

10. 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 Offer 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.

# 11. 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
<b>Ashokbhai Dhanjibhai Babariya</b>										
On Incorporation	Subscription to MoA	Cash	3,334	10	10	3,334	0.02%	[●]	N.A.	N.A.
March 23, 2015	Conversion of Loan to Equity	Consideration Other than Cash	3,30,000	10	10	3,33,334	1.57%	[●]	N.A.	N.A.
November 15, 2016	Conversion of Loan to Equity	Consideration Other than Cash	38,34,166	10	10	41,67,500	19.64%	[●]	N.A.	N.A.
March 22, 2018	Conversion of Loan to Equity	Consideration Other than Cash	25,00,000	10	10	66,67,500	31.42%	[●]	N.A.	N.A.
March 30, 2020	Private Placement	Consideration Other than Cash	4,06,748	10	82	70,74,248	33.34%	[●]	N.A.	N.A.
January 27, 2024	Transfer of Shares to Mithil Ashokkumar Babariya	Gift Deed	(10,61,000)	10	Nil	60,13,248	28.34%	[●]	N.A.	N.A.
January 27, 2024	Transfer of Shares to Heena Ashokbhai Babariya	Gift Deed	(4,24,400)	10	Nil	55,88,848	26.34%	[●]	N.A.	N.A.
July 10, 2024	Transfer of Shares to Harsh B Patel	Transfer of shares	(57,000)	10	45	55,31,848	26.06%	[●]	N.A.	N.A.
July 10, 2024	Transfer of Shares to Patel Monank Bharatbhai	Transfer of shares	(57,000)	10	45	54,74,848	25.80%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Zaverbhai Parshottambhai Babriya	Transfer of shares	(84,500)	10	45	53,90,348	25.40%	[●]	N.A.	N.A.
July 24, 2024	Transfer of Shares to Jhalavadiya Sanket Vinodbhai	Transfer of shares	(31,500)	10	45	53,58,848	25.25%	[●]	N.A.	N.A.
<b>Total</b>						<b>53,58,848</b>				

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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- Offer Equity Paid Up Capital	% of Post- Offer Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>Mukesh Dhanjibhai Babariya</b>										
On Incorporation	Subscription to MoA	Cash	3,333	10	10	3,333	0.02%	[●]	N.A.	N.A.
March 23, 2015	Conversion of Loan to Equity	Consideration Other than Cash	3,30,000	10	10	3,33,333	1.57%	[●]	N.A.	N.A.
November 15, 2016	Conversion of Loan to Equity	Consideration Other than Cash	38,32,917	10	10	41,66,250	19.63%	[●]	N.A.	N.A.
March 22, 2018	Conversion of Loan to Equity	Consideration Other than Cash	25,00,000	10	10	66,66,250	31.41%	[●]	N.A.	N.A.
March 30, 2020	Private Placement	Consideration Other than Cash	4,06,626	10	82	70,72,876	33.33%	[●]	N.A.	N.A.
January 27, 2024	Transfer of Shares to Harshaben Mukeshbhai Babariya	Gift Deed	(10,61,000)	10	Nil	60,11,876	28.33%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Chetankumar Makanbhai Patel	Transfer of shares	(27,720)	10	45	59,84,156	28.20%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Manojbhai Parshottambhai Babriya	Transfer of shares	(1,46,840)	10	45	58,37,316	27.51%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Pravinchandra Shamjibhai Dhanani	Transfer of shares	(27,720)	10	45	58,09,596	27.38%	[●]	N.A.	N.A.
August 23, 2024	Transfer of Shares to Ashwinbhai Damjibhai Boda	Transfer of Shares	(27,720)	10	45	57,81,876	27.25%	[●]	N.A.	N.A.
<b>Total</b>						57,81,876				

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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-Offer Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>Gulabben Nitinbhai Babariya</b>										
January 01, 2015	Purchase of Shares from Nitinbhai Dhanjibhai Babariya	Cash	3,333	10	10	3,333	0.02%	[●]	N.A.	N.A.
March 23, 2015	Conversion of Loan to Equity	Consideration Other than Cash	3,30,000	10	10	3,33,333	1.57%	[●]	N.A.	N.A.
November 15, 2016	Conversion of Loan to Equity	Consideration Other than Cash	38,32,917	10	10	41,66,250	19.63%	[●]	N.A.	N.A.
March 22, 2018	Conversion of Loan to Equity	Consideration Other than Cash	13,30,000	10	10	54,96,250	25.90%	[●]	N.A.	N.A.
March 30, 2020	Private Placement	Consideration Other than Cash	3,35,256	10	82	58,31,506	27.48%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Jaysukhbhai Parsotambhai Babariya	Transfer of shares	(84,500)	10	45	57,47,006	27.08%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Manojbhai Parsotambhai Babariya	Transfer of shares	(78,160)	10	45	56,68,846	26.71%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Dhansukhbhai Nanjibhai Kakadiya	Transfer of shares	(15,120)	10	45	56,53,726	26.64%	[●]	N.A.	N.A.
July 11, 2024	Transfer of Shares to Sureshbhai Babubhai Gajera	Transfer of shares	(27,720)	10	45	56,26,006	26.51%	[●]	N.A.	N.A.
July 24, 2024	Transfer of Shares to Jhalavadiya Sanket Vinodbhai	Transfer of shares	(24,500)	10	45	56,01,506	26.40%	[●]	N.A.	N.A.
<b>Total</b>						<b>56,01,506</b>				

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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- Offer Equity Paid Up Capital	% of Post- Offer Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>Dishank Nitin Babariya</b>										
October 06, 2023	Transfer of Shares from Nitinbhai Dhanjibhai Babariya	Gift	12,41,370	10	N.A.	12,41,370	5.85%	●	N.A.	N.A.
<b>Total</b>						<b>12,41,370</b>				

12. As on the date of the Draft Prospectus, the Company has Eighteen (18) shareholders.

13. The details of the Shareholding of the members of the Promoter Group as on the date of this Draft Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre- Offer		Post Offer	
		Number of Equity Shares	% of Pre- Offer Equity Share Capital	Number of Equity Shares	% of Post- Offer Equity Share Capital
1.	Mithil Ashokkumar Babariya	10,61,000	5.00%	10,61,000	●
2.	Harshaben Mukeshbhai Babariya	10,61,000	5.00%	10,61,000	●
3.	Heena Ashokbhai Babariya	4,24,400	2.00%	4,24,400	●
<b>Total</b>		<b>25,46,400</b>	<b>12.00%</b>	<b>25,46,400</b>	<b>●</b>

14. Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months:

Date of Allotment/ transfer	Name of Allottee/ Transferee	Party Category	Number of Shares Allotted/ Transferred	Face Value	Offer Price/ Transfer Price	Reason of Allotment/ Transfer
January 27, 2024	Mithil Ashokkumar Babariya	Promoter Group	10,61,000	10	NA	Gift
January 27, 2024	Heena Ashokbhai Babariya	Promoter Group	4,24,400	10		
January 27, 2024	Harshaben Mukeshbhai Babariya	Promoter Group	10,61,000	10		
July 10, 2024	Harsh B Patel	Public	57,000	10	45	Transfer of shares
July 10, 2024	Patel Monank Bharatbhai	Public	57,000	10	45	Transfer of shares
July 11, 2024	Zaverbhai P Babariya	Public	84,500	10	45	Transfer of shares
July 11, 2024	Chetankumar Makanbhai Patel	Public	27,720	10	45	Transfer of shares
July 11, 2024	Manojbhai Parshottambhai Babariya	Public	1,46,840	10	45	Transfer of shares
July 11, 2024	Pravinchandra Shamjibhai Dhanani	Public	27,720	10	45	Transfer of shares
July 11, 2024	Jaysukhbhai Parshotambhai Babariya	Public	84,500	10	45	Transfer of shares
July 11, 2024	Manojbhai Parshottambhai Babariya	Public	78,160	10	45	Transfer of shares
July 11, 2024	Dhansukhbhai Nanjibhai kakadiya	Public	15,120	10	45	Transfer of shares

July 11, 2024	Sureshkumar Babubhai Gajera	Public	27,720	10	45	Transfer of shares
July 24, 2024	Jhalavadia Sanket Vinodbhai	Public	24,500	10	45	Transfer of shares
July 24, 2024	Jhalavadia Sanket Vinodbhai	Public	31,500	10	45	Transfer of shares
August 23, 2024	Ashwinbhai Damjibhai Boda	Public	27,720	10	45	Transfer of Shares

15. There are no financing arrangements wherein the Promoters, Promoter 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 the Draft Prospectus.

16. The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:

Name of the Promoters	No. of Equity shares held	Average cost of Acquisition (in ₹) *
Ashokbhai Dhanjibhai Babariya	53,58,848	16.73
Mukesh Dhanjibhai Babariya	57,81,876	15.51
Gulabben Nitin Babariya	56,01,506	12.87
Dishank Nitin Babariya	12,41,370	Nil

\*As certified by statutory auditor by M/s A O Mittal & Associates, Chartered Accountants dated September 13, 2024.

#### 17. Promoter's Contribution and other Lock-In details:

As per sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post- Offer Capital shall be considered as Promoter's Contribution.

Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the post- Offer Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Draft Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoter's Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoter's Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoter's Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter's Contribution are set forth in the table below:

Number of Equity Shares locked-in*	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Offer / 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
<b>Ashokbhai Dhanjibhai Babariya</b>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 years
<b>SUB- TOTAL</b>						[•]	
<b>Mukesh Dhanjibhai Babariya</b>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 years
<b>SUB- TOTAL</b>						[•]	
<b>Gulabben Nitin Babariya</b>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 years
<b>SUB- TOTAL</b>						[•]	

Number of Equity Shares locked-in*	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Offer / 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
<i>Dishank Nitin Babariya</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 years
<b>SUB- TOTAL</b>						[•]	

\* To be included in the Prospectus.

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoter's contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoter's contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoter's contribution;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the Offer Price;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

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

#### **18. Details of Equity Shares locked-in for one year other than Minimum Promoters Contribution**

In addition to the Promoter's Contribution that are locked-in for three years as the minimum Promoter's contribution, the promoter and public shareholding pre- Offer Equity Share capital of our Company, shall be locked in for a period of one year from the date of Allotment in the Public Offer. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

#### **19. Recording on non-transferability of Equity Shares locked-in**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

##### ***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 Offer may be transferred 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 transferred to and amongst Promoters / members of the Promoter Group or to a new promoter 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 offer 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 Promoters 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.

20. Our Company, our Promoters, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

21. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.

22. 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 Draft Prospectus.



23. No person connected with the Offer, 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 Offer.

24. 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 Draft Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.

25. 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 Draft Prospectus.

26. 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.

27. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Offer, shall be reported to the Stock Exchanges within 24 hours of the transaction.

28. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.

29. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

30. There are no Equity Shares against which depository receipts have been issued.

31. The Offer Price has been determined by our Company, the Promoters and the Selling Shareholders, in consultation with the Lead Manager.

32. Our Promoters and the members of our Promoters Group will not participate in this Offer.

33. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of Director	Number of Equity Shares	% of the Pre- Offer Equity Share Capital
1.	Ashokbhai Dhanjibhai Babariya	53,58,848	25.25%
2.	Mukesh Dhanjibhai Babariya	57,81,876	27.25%
3.	Dishank Nitin Babariya	12,41,370	5.85%

34. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Offer.

35. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Offer Procedure” beginning on Page No. 190 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.

36. An investor cannot make an application for more than the number of Equity Shares offered in this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

37. An over-subscription to the extent of 10% of the Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Offer, as a result of which, the post- Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.

38. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines

39. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Offer.

40. As on date of this Draft 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 Offer.

41. Prior to this Initial Public Offer, our Company has not made any public issue at large.

42. As per RBI regulations, OCBs are not allowed to participate in this Offer.

*(The remainder of this page is intentionally left blank)*

## OBJECTS OF THE OFFER

This Offer comprises of Fresh Issue of up to 37,70,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs and an Offer for Sale of up to 32,00,000 Equity Shares aggregating to ₹ [●] Lakhs by the Selling Shareholders.

### OFFER FOR SALE

The Selling Shareholders will be entitled to its respective portions of the proceeds of the Offer for Sale after deducting its proportion of Offer related expenses. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds received from the Offer for Sale (net of Offer related expenses to be borne by the Selling Shareholders) will not form part of the Net Proceeds. Other than the listing fees for the Offer (which shall be exclusively borne by our Company), all cost, fees and expenses in respect of the Offer will be shared among our Company and the Selling Shareholders, respectively, in proportion to the proceeds received from the Fresh Issue and its portion of the Offered Shares, as may be applicable, upon the successful completion of the Offer. For further information regarding the Selling Shareholders and Equity Shares being offered for sale (in terms of amount), please refer the chapter titled “*The Offer*” beginning on page 46 of this Draft Prospectus.

### FRESH OFFER

Our Company proposes to utilize the net proceeds which are being raised towards funding the following objects and achieve the benefits of listing on the SME Platform of BSE.

#### The objects of the Offer are: -

1. To meet out the Capital Expenditure;
2. To meet out Working Capital Requirements; and
3. To meet General Corporate Purposes;

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

Our Company believes that listing will enhance our Company’s corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum of Association of our Company enables us to undertake the activities for which funds are being raised in the Offer. The existing activities of our Company are within the objects clause of our Memorandum of Association. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

### REQUIREMENTS OF FUNDS

The Net proceeds, after deducting Offer expenses to the extent applicable to the Fresh Issue, are estimated to be ₹ [●] Lakhs (the “**Net Proceeds**”).

The following table summarizes the requirement of funds:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds of the Offer	[●]
Less: Offer related expenses	[●]
<b>Net Proceeds of the Offer</b>	[●]

### UTILIZATION OF NET PROCEEDS

The proposed utilization of Net Proceeds is set forth as stated below:

(₹ In Lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Capital Expenditure	Upto 443.20	[●]
2.	Working Capital Requirements	Upto 715.00	[●]
3.	General Corporate Purposes	[●]^	[●]
<b>Total Net Proceeds</b>		[●]	[●]

<sup>^</sup>To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer.

## MEANS OF FINANCE

We intend to finance our Objects of the Offer through Net Offer Proceeds which is as follows:

(₹ In Lakhs)

Sr. No.	Particulars	Amount Required (Excluding Taxes)	Amount to be utilized from IPO Proceeds	Internal Accruals / Equity / Reserves
1.	Capital Expenditure	Upto 443.20	Upto 443.20	00.00
2.	Funding Working Capital Requirement	Upto 715.00	Upto 715.00	00.00
3.	General Corporate Purposes	[•]	[•]	00.00
4.	Offer related expenses	[•]	[•]	[•]
<b>Total</b>		[•]	[•]	[•]

Based on certificate duly certified by Statutory Auditors M/s. A O Mittal & Associates, Chartered Accountants dated September 13, 2024, bearing UDIN: 24542840BKXCBF7635. Our company has paid ₹ 12.93 Lakhs towards Offer expenses out of internal accruals available with the company. Our company will reimburse/recoup such advances out of the Net Proceeds.

*The requirements of the objects detailed above are intended to be funded from the proceeds of the Offer. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Offer.*

*The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.*

In case of variations in the actual utilization of funds allocated 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 this Offer. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

We further confirm that no part proceed of the Offer shall be utilized for repayment of any Part of unsecured loan outstanding as on date of Draft Prospectus. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management. For further details on the risks involved in our business plans and executing our business strategies, please refer section titled "Risk Factors" beginning on Page No. 28 of this Draft Prospectus.

### DETAILS OF UTILIZATION OF OFFER PROCEEDS

#### **1. To meet out the Capital Expenditure**

At present, manufacturing facilities of our Company is located in Gujarat at Block no:- 1241, 1242, 1243, 1244, Padra-Jambusar Highway, Post. Masar, Taluka: Padra, Dist. Vadodara, Gujarat, India-391421. The manufacturing facilities have a combined production capacity to approximately 750 MT per month, equivalent to around 9,000 MT per annum. Our company has been strategically focusing on increasing production of higher value-added products through forward integration, expansion of specialized products manufacturing and offering customized solutions to our customers. Toward this purpose, by installing printing and lamination machines at our existing manufacturing facility, our Company will be able to print, laminate and pouch the CPP and CPE films (Currently manufactured by the company) as per the requirements of the customers.

In order to enhance our forward integration capabilities, we intend to utilize part of the proceeds aggregating to Upto ₹ 443.20 Lakhs from the net proceeds towards funding of capital expenditure by installing printing and lamination machines at our existing manufacturing facility by which our Company will be able to print, laminate and pouch the CPP & CPE films which Currently manufactured by the company) as per the requirements of the customers. Our Board



in its meeting dated November 07, 2024 approved an amount of ₹ 443.20 Lakhs for the purpose of funding the proposed expenditure as stated herein above from the Net Proceeds.

Our Company has received quotations from various vendors for the proposed capital expenditure and total estimated cost of purchase of equipment as per the quotations received is ₹443.20 Lakhs. Our Company is yet to place the orders or enter into definitive agreements for purchase of said equipments. The breakdown of such estimated costs is set forth below:

**Summary of Capital Expenditure:**

Sr. No	Name of the Machinery / Equipment, Model Type and Technical Specification	Quantity	Total Estimated Cost (in ₹ Lakh)	Potential Vendor	Date with Ref. No. of Quotation	Validity
1	<b>Stack Flexo Printing Machine</b> Model: 08 Colour Gearless 1150mm Technical Specification: GLS 250- 81150, Max. Speed - 250 m/min, Max. Printing Width 1100mm, Max. Repeat 380 - 800mm	1 Set	211.00	Gehlot Printec LLP	October 10, 2024	3 Months
2	<b>Combined Centre Seal and Three Side Seal Pouch making machine</b> (with 1. Cross Sealing pneumatic assembly, 2. cross cooling assembly 3. Electronic Web guiding system on unwind with ultrasonic sensor 4. Pneumatic V notch assembly 5.Pneumatic Euro punch assembly) Model CMB 350 Delta Technical Specification: Maximum Film Web Width: 720 mm, Maximum Draw Length:450mm Minimum Pouch size: 100 mm, Film Thickness: 20 to 100 Microns Maximum Speed: 200 cycles/minute	1 Set	22.00	XL Plastics	November 08, 2024 2405-039-R4	120 Days
3	<b>Stand up &amp; Zipper Pouch making machine</b> (with 1) Pneumatic V notch assembly – 1no 2) Pneumatic Round corner punch assembly – 1 set) Model MSDP 401Z Ultima Technical Specification: Pouch Type: Three Side Seal, Stand Up Pouch, Single Web Stand up pouch, Three Side Seal, Zipper Pouch Material: All type of laminated films like PET-PE, PET-ALU-PE, BOPP- PE, BOPP-BOPP etc. Material Max. Size: Web Width of 800mm Main Motor: 7.5 kW Servo Motor (B & R – Austria) 7.5 kW Servo Motor (B & R – Austria) Infeed Drive & Motor: Front Infeed 3 kW Servo Motor Back Infeed 3 KW Servo Motor, Unwinding for Stand up pouch: Air shaft, diameter of 600mm, Magnetic Powder brake and fully automatic tension controller with load cell, Unwind Shaft: Air Shaft –3” dia Web Guide: Electronic Web guide with Ultrasonic Sensor – 1 Set Unwind nip station: 1.5 kW, 1 set. – AC Motor Photocell: Photocell eye mark Total 2 Nos. Power Supply: 415 volts 3 phase + neutral (Can be Changed to meet country Specific requirement) Total Capacitance: 30 KW Machine Dimension: L 16 mtr. x W 2 mtr. x H 2.5 mtr. (Appx.)	1 Set	50.00	XL Plastics	November 08, 2024 2405-039-R4	120 Days

4	<p><b>Solventless Lamination Machine</b> (with 1) Unwinder (2 nos.) and Rewinder Shaft less with 3” and 6” core facility 2) Mixer unit –ADHESIVE two components 3) NU VU MAKE water heating unit (3 nos. + Chiller) 4) Pneumatics (SMC) 5) Motors (Siemens) 6) 8 Drive system – Siemens 7) Carona treater on unwinder -2)</p> <p>Model: RHX-350</p> <p>Technical Specification:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Machine type Solventless lamination machine</li> <li><input type="checkbox"/> Maximum web width 1100mm</li> <li><input type="checkbox"/> Power requirement Unwinder- I = 5 h.p.</li> </ul> <p>Laminator drive = 5 H.P., Metering drive = 15 H.P., Coater drive = 5 H.P., Unwinder II = 5 H.P., Rewinder = 7.5 H.P., Exhaust blower = 2 H.P.,</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Core inner diameter 76 mm and 152 mm</li> <li><input type="checkbox"/> Maximum reel diameter 800 mm</li> </ul>	1 Set	68.00	R. H. Engineer ing LLP	October 14, 2024  RHE/23/4/3 BFPL/24-25	3 Months
5	<p><b>Permeability Tester</b> (Including HEMTECH HT-PERM W+O (Main Instrument) HemWIZARDnXt® Software Package PC, Monitor, Keyboard, Mouse , Printer Windows OS – Licensed, Tube Of Vacuum Grease , Surface Reduction Mask Reference Film For Calibration – Permtech- Italy certified, Calibration Certificate For Reference Film, Spares + Consumable Operation Manual, Maintenance Manual, Trouble Shooting Manual Regulator For N2 Gas (Dual Stage), Regulator For O2 Gas (Dual Stage) Oxygen Trap, Moisture Trap, Tubing (SS))</p> <p>Model: HT-PERM W+O</p> <p>Technical Specification:</p> <p>Fully Computer controlled testing and automatic end of the measurement (Equilibrium Detection)</p> <p>Two different kind of sensors, one for water vapour (INFRA RED) and oxygen (COULOMETRIC)</p> <p>Able to perform measurements in different moisture’s conditions. Equipped inside with a very good cooling-heating thermal control system which automatically regulate the test temperature from 10 °C to 50 °C with a stability of ±0.1 °C</p> <p>No need of preliminary preparation of the sample to carry out the analysis. NO TEMPLATE CUTTING</p> <p>Automatic setting of the carrier flow depending on the sensitivity required. MASS FLOW CONTROLLER based Flow Control (No Manual Valves)</p> <p>Automatic barometric compensation system</p> <p>Results shown in standard units: g·m-2·24h-1 (WVTR) and cm3·m-2·24h-1·bar-1 (OTR). Other Unit Selection possible</p> <p>Equipped with PC (Windows OS) and LCD 17” display or above hemWIZARDnXt® software included</p> <p>hemWIZARDnXt® is LabView® based and Python supported software allow to carry out with a very user-friendly interface both the kind of permeation analysis (OTR and WVTR)</p> <ul style="list-style-type: none"> <li>• Instrument calibration by easy step-by-step procedures</li> </ul>	1 Set	44.20	Hem Techsys Private Limited	October 10, 2024  HTPL/24-25/025 F	90 Days
6	<p><b>Slitting Rewindig Machine</b> (with Active Static Eliminator, DC Type Fraser At Rewinder_02 Nos. 50 mm Ball Lock (152 mm Core) on Duplex Rewind (QTY: 52) With Complete Assembly)</p> <p>Model: D Slit</p>	1 Set	48.00	Kalpvrux Converting Product Private Limited	November 08, 2024	3 Months

<p>Technical Specification:  Maximum Web Width:1300 Mm, Minimum Width 600 mm  Substrate  PET: 10-40 Mic. LD: 30-120 Mic.  PVC: 30-90 Mic.  BOPP: 12-150 Mic. CPP: 20 Mic.  LAMINATE:  30-150 Mic.  Reel Diameter At Unwind 1000 mm, Max. Weight At Unwind 1000 kg  Unwind Tension Range 50-300 N (5-30kg), Unwind Core ID 76 mm &amp; 152 mm, Minimum Slit Width 50 mm, Maximum Slit Width 800 mm  Maximum Reel Dia At Rewind 600 mm, Rewind Core ID 76 mm  Maximum Reel Weight At Rewind 250 kgs , Operating Speed Up to 500 m/min  Speed depends upon the Substrate, Slit Width &amp; skill of the Operator  Razor Knife Holders 10 No's  Electrical Supply Specification :  Unless specified by buyer, 3 phase with neutral and earth, 415 V, 50 Hz frequency  Compressed Air Pressure 6 Bars, free from moisture, dust and oil, 1" header.  Dimensions (All In Meter) L (M) X B (M) X H (M) 3.1 X 4.2 X 2.0  Approximate Weight 4000 kg, Total Load 20 KW Approximate only.</p>					
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**Note:**

- All amounts are exclusive of GST and other taxes, if any.
- All the quotations are valid as on the date of this Draft Prospectus.
- The total cost may fluctuate in accordance with market price.

**Other confirmations**

All quotations mentioned in this section are valid as on the date of this Draft Prospectus. However, we have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the equipment at the same costs. We are yet to place orders for any of the components of the Proposed Capital Expenditure. Further, for risk arising out of the Objects, please see "Risk Factors – Internal Risk Factors –at page no. 28 under "Risk Factors". We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. There can be no assurance that we would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. The quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

No second-hand or used equipment is proposed to be purchased out of the Net Proceeds.

None of the vendors from whom we have procured quotations are related or connected to our Company, Promoters, Directors, Key Managerial Personnel, Senior Management and Group Companies. Our Promoter, Directors, Key Managerial Personnel, Senior Management Personnel and Group Companies do not have any interest in the proposed acquisition of machineries in respect of forward integration of our manufacturing process.

**2. Working Capital Requirements**

We propose to utilise upto ₹ 715 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in the financial year 2024-25 in the ordinary course of business. We have significant working capital requirements, and in the ordinary course of business, we fund our working capital needs through internal accruals and short term borrowings from banks and financial institutions. Our Company, in order to support its incremental business requirements, funding growth opportunities and for other strategic, business, and corporate purposes requires additional working capital and such funding is expected to lead to a consequent increase in our revenues and profitability.

The details of Company's working capital as at the four months period ended on July 31, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, and the source of funding, on the basis of restated financial statement of our Company are provided in the table below:



**Existing Working Capital requirements:\***

(Amount in Lakhs)

Sr. No.	Particulars	As on July 31, 2024 (Restated)	As at March 31, 2024 (Restated)	As at March 31, 2023 (Restated)	As at March 31, 2022 (Restated)
<b>I</b>	<b>Current assets</b>				
	Inventories	5,173.74	4,983.26	4,296.00	3,215.32
	Trade receivables	355.56	956.49	429.01	569.82
	Short Term Loans & Advances	22.82	9.94	6.11	161.58
	Other Assets	80.10	126.56	154.23	480.64
	<b>Total Current Assets (A)</b>	<b>5,632.22</b>	<b>6,076.25</b>	<b>4,885.35</b>	<b>4,427.36</b>
<b>II</b>	<b>Current liabilities</b>				
	Trade payables	642.77	588.19	808.02	640.94
	Other Current Liabilities	328.95	57.77	36.30	33.84
	Short term provisions	26.56	23.27	24.66	37.44
	<b>Total current liabilities (B)</b>	<b>998.28</b>	<b>669.23</b>	<b>868.98</b>	<b>712.22</b>
	<b>Net working capital (A – B)</b>	<b>4,633.94</b>	<b>5,407.03</b>	<b>4,016.37</b>	<b>3,715.15</b>
<b>III</b>	<b>Sources of funds</b>				
	Short-term borrowings	2,323.74	2,317.08	2,280.80	1,795.83
	Internal Accruals	2,310.20	3,089.95	1,735.57	1,919.32
	Proceeds From IPO	-	-	-	-
	<b>Total Means of Finance</b>	<b>4,633.94</b>	<b>5,407.03</b>	<b>4,016.37</b>	<b>3,715.15</b>

\*The working capital details as at four months period ended on July 31, 2024 and March 31, 2024, March 31, 2023 and March 31, 2022 and source of funding has been certified by our Statutory Auditors, M/s A O Mittal & Associates., Chartered Accountants, pursuant to their certificate dated September 13, 2024.

**Expected working capital requirements:**

The estimated working capital requirements for the Financial Year ended March 31, 2025 and March 31, 2026 have been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, our Board pursuant to its resolution dated September 12, 2024 has approved the projected working capital requirements for Financial Year ended March 31, 2025 and March 31, 2026 with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below: The balance portion of our working capital requirement, if any will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions.

(Amount in Lakhs)

Sr. No.	Particulars	As at March 31, 2026 (Estimated)*	As at March 31, 2025 (Projected)*
<b>I</b>	<b>Current assets</b>		
	Inventories	6462.59	5246.28
	Trade receivables	1476.76	1278.82
	Short Term Loans & Advances	12.60	12.00
	Other Assets	44.99	125.22
	<b>Total Current Assets (A)</b>	<b>7996.94</b>	<b>6662.31</b>
<b>II</b>	<b>Current liabilities</b>		
	Trade payables	900.41	616.32
	Other Current Liabilities	200.00	150.00
	Short term provisions	67.58	61.43
	<b>Total current liabilities (B)</b>	<b>1167.99</b>	<b>827.76</b>
	<b>Net working capital (A – B)</b>	<b>6828.95</b>	<b>5834.56</b>
<b>III</b>	<b>Sources of funds</b>		
	Short term borrowings from banks	2300.00	2300.00
	Internal accruals	3813.95	2819.56
	IPO proceeds	715.00	715.00
	<b>Total Means of Finance</b>	<b>6828.95</b>	<b>5834.56</b>

*\*The projected working capital requirement as at March 31, 2025, and March 31, 2026 and source of funding has been certified by our Statutory Auditors, M/s A O Mittal & Associates, Chartered Accountants, pursuant to their certificate dated September 13, 2024.*

The balance portion of our working capital requirement will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions.

**Assumptions for our estimated working capital requirement:**

Particulars	Holding Levels (March 31, 2026)	Holding Levels (March 31, 2025)	Holding Levels (July 31, 2024)	Holding Levels (March 31, 2024)	Holding Levels (March 31, 2023)	Holding Levels (March 31, 2022)
	Projected	Estimated	Restated*	Restated*	Restated*	Restated*
Raw Material Inventory	5.40	6.39	37.72	8.87	4.87	3.89
Trade Receivables	1.55	1.65	2.64	1.52	0.72	1.01
Trade Payables	1.14	1.04	6.88	1.14	1.63	1.28

The table below sets forth the key assumptions for working capital projections:

Particulars	Assumption
<b>Inventory</b>	Raw Material holding period for FY 2025-26 and for FY 2024-25 is estimated to be 5.40 and 6.39 Months respectively. This estimation is based on raw material holding cycle of previous financial year FY 2023-24 and to meet expected turnover requirement for FY 2024-25 and to ensure uninterrupted manufacturing process.
<b>Trade Receivable</b>	Trade receivables are amount owed to Company by customers following sale of goods on credit. Our Company has estimated the average trade receivable cycle to be 1.55 and 1.65 months for FY 2025-26 and 2024-25 respectively. This estimation is based on trade receivable cycle of previous financial year FY 2023-24 and to meet expected turnover requirement for FY 2024-25.
<b>Trade Payable</b>	Trade payables include dues to micro and small enterprises and other creditors. The Trade Payable Cycle is estimated to be at 1.14 and 1.04 for FY 2025-26 and 2024-25 respectively. This estimation is in line with availing better pricing and reducing the cost of purchase by availing discounts from our suppliers / vendors.
<b>Cash and Cash Equivalents</b>	Cash and cash equivalents include balances in current accounts, Fixed Deposits and cash in hand. Cash and Cash Equivalent balance is estimated based on previous years outstanding amount and for expected Business requirement of company.
<b>Loans and Advances</b>	Loans and advances mainly include Advance to suppliers and Saff/employees. Loans and advances are estimated based on previous years outstanding amount and for expected Business requirement of company.
<b>Other Assets</b>	Other Current Assets mainly includes Duties & Taxes Prepaid Expenses. Other Assets is estimated based on previous years outstanding amount and for expected Business requirement of company.
<b>Other liabilities</b>	Other Liabilities mainly includes advance from customers, expense payable and duties & taxes payable. Other liabilities is estimated based on previous years outstanding amount and for expected Business requirement of company.
<b>Short-term provisions</b>	Short-term provisions mainly include Provision for income tax. Short-term provisions is estimated based on previous years outstanding amount and for expected Business requirement of company.

### 3. General Corporate Purpose

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such amount not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. The general corporate purposes for which our Company proposes to utilize Net Proceeds, including but not limited or restricted to, strategic initiatives, funding growth opportunities, strengthening our marketing network & capability, meeting exigencies, meeting working capital requirements, brand building exercises in order to strengthen our operations, meeting exigencies may not foresee by our Company in the ordinary course of business or other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013, as may be applicable. Further, this portion of Net Proceeds may also be utilised to meet the shortfall in the Net Proceeds for the Objects set out above.

In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law.

In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a prescribed Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

#### 4. Offer Related Expenses

The Selling Shareholders will be entitled to its respective portions of the proceeds of the Offer for Sale after deducting its proportion of Offer related expenses. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds received from the Offer for Sale (net of Offer related expenses to be borne by the Selling Shareholders) will not form part of the Net Proceeds. Other than the listing fees for the Offer (which shall be exclusively borne by our Company), all cost, fees and expenses in respect of the Offer will be shared among our Company and the Selling Shareholders, respectively, in proportion to the proceeds received from the Fresh Issue and its portion of the Offered Shares, as may be applicable, upon the successful completion of the Offer.

All the expenses relating to the Offer shall be paid by our Company in the first instance and upon commencement of listing and trading of the Equity Shares on the Stock Exchange pursuant to the Offer, each Selling Shareholders agrees that it shall, severally and not jointly, reimburse our Company for any expenses in relation to the Offer paid by our Company on behalf of the respective Selling Shareholder and each Selling Shareholders authorises our Company to deduct from the proceeds of the Offer for Sale from the Offer, expenses of the Offer required to be borne by such Selling Shareholders in proportion to the Offered Shares, in accordance with Applicable Law.

The total expenses of the Offer are estimated to be approximately ₹ [●] Lakhs which is [●] % of the total Offer Size. The expenses of the Offer include, amongst others, listing fees, selling commission, fees payable to the Lead Manager, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing and trading of the Equity Shares on the Stock Exchange.

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

Sr. No.	Particulars	Amount* (₹ in Lakh)	% of Total Expenses*	% of Total Offer Size*
1.	Offer Management fees including Merchant Banking fees, Underwriting fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	[●]	[●]	[●]
2.	Advertising and Marketing Expenses	[●]	[●]	[●]
3.	Fees Payable to stock Exchange	[●]	[●]	[●]
4.	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
5.	Brokerage and Selling Commission	[●]	[●]	[●]
6.	Other Expenses (Banker's to the Offer, Auditor's including Peer Review Auditors' Fees, Market Making, depositories etc.)	[●]	[●]	[●]
<b>Total</b>		[●]	100	[●]

\*Amounts will be finalised at the time of filing the Prospectus and on determination of Offer Price and other details.

#### Notes:

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

1. ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.
2. Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs 10/- per application on wherein shares are allotted
3. Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted
4. Sponsor Bank shall be payable processing fees on UPI application processed by them - Rs 10/- per application on wherein shares are allotted
5. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
6. The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
7. Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

## **PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS**

Our Company plans to deploy the funds towards the above stated Objects during FY 2024-2025 and 2025-26, depending upon various factors including the actual timing of the completion of the Offer and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year.

The proposed Schedule of Implementation is as follows:

(₹ in Lakh)

<i>Sr. No.</i>	<i>Particular</i>	<i>Amount to be funded from Net Proceeds</i>	<i>Expenses incurred till November 12, 2024</i>	<i>Estimated Utilisation of Net Proceeds (F.Y. 2024-25 and 2025-26)</i>
1.	Capital Expenditure Requirement	Up to 443.20	[●]	[●]
2.	Working Capital Requirement	Up to 715.00	[●]	[●]
3.	General Corporate Purposes	[●]	[●]	[●]
4.	Offer Expenses	[●]	12.93 <sup>1</sup>	[●]
<b>Total</b>		[●]	[●]	[●]

<sup>1</sup>) Based on certificate duly certified by Statutory Auditors M/s. A O Mittal & Associates, Chartered Accountants dated November 12, 2024. Our company has paid ₹ 12.93 Lakhs towards Offer expenses out of internal accruals available with the company. Our company will reimburse/recouped such advances out of the Net Proceeds.

### **Appraisal**

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

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

As on the date of this Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds**

The Audit committee and the Board of Directors of our Company will monitor the utilization of funds raised through this public Offer. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Offer. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Offer have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

### **Interim Use of Proceeds**

Pending utilization of the Offer proceeds of the Offer for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act, as may be approved by our Board.

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

### **Variation in Objects**

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

### **Other confirmations**

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

## BASIS FOR OFFER PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10/- and Issue Price is ₹ [●]/- per Equity Shares and is [●] times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page no. 28, 153 and 103 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

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

- Experienced Promoters and Management Team
- End to end execution capabilities
- Long term Relationship with the Clients
- Quality Assurance & Control

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled “Our Business” beginning on page no. 103 of this Draft Prospectus.

### Quantitative Factors

Our Company was incorporated on September 03, 2014. Therefore, the information presented below relating to the Company is based on the restated standalone financial statements of the Company for Financial years ending March 31, 2024, 2023 and 2022 and for the period ending on July 31, 2024 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic and Diluted Earnings Per Share (EPS):

Period	Basic and Diluted EPS (In ₹)	Weights
FY 2021-22	(0.16)	1
FY 2022-23	0.43	2
FY 2023-24	2.02	3
<b>Weighted Average</b>	<b>1.13</b>	
July 31, 2024*	0.77	

\*Not Annualized

#### Notes:

- (i) The figures disclosed above are based on the restated standalone financial statements of the Company.
- (ii) The above statement should be read with the chapter titled “Restated Financial Information” beginning on page no. 153 of this Draft Prospectus.
- (iii) Basic Earnings per share = Net profit/(loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/period.
- (iv) Diluted Earnings per share = Net profit/(loss) after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/period.
- (v) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal/[Total of weights].

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]/- per share of ₹ 10/- each

Particulars	P/E at the Issue Price of ₹ [●]/-
Based on the Basic and Diluted as restated for period ending March 31, 2024	[●]
<b>Industry P/E</b>	
Highest	[●]
Lowest	[●]
Average	[●]

**Note:** The highest and lowest industry P/E has been considered from the industry peer structure provided later In this chapter. The industry average has been calculated as the arithmetic average P/E of the industry peer structure disclosed in this chapter. For further details, please refer chapter titled “Restated Financial Information” beginning on page no. 153 of this Draft Prospectus.



### 3. Average Return on Net Worth (RoNW):

Period	Return on Net Worth (%)	Weights
As on March 31, 2022	(1.34)%	1
As on March 31, 2023	3.45%	2
As on March 31, 2024	13.88%	3
<b>Weighted Average</b>	<b>7.87%</b>	
For Period ended on July 31, 2024*	<b>5.00%</b>	

\*Not Annualized

#### Note:

- (i) The figures disclosed above are based on the restated standalone financial statements of the Company.
- (ii) The RONW has been computed by dividing net profit/loss after tax (excluding exceptional income, if any) as restated, by Net Worth (excluding revaluation reserve, if any) as at the end of the year/ period excluding miscellaneous expenditure to the extent not written off.
- (iii) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e.  $[(RoNW \times Weight) \text{ for each fiscal}] / [\text{Total of weights}]$ .

### 4. Net Asset Value (NAV) per Equity Share:

Particulars	NAV (in ₹)
As on March 31, 2022	12.12
As on March 31, 2023	12.55
As on March 31, 2024	14.57
As on July 31, 2024	15.34
NAV after the Issue	[-]
Issue Price	[-]

#### Note:

- (i) The figures disclosed above are based on the restated standalone financial statements of the Company.
- (ii) NAV per Equity Share will be calculated as net worth divided by number of equity shares outstanding at the end of the year.

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

There are no publicly listed companies in India with a business model exclusively similar to ours. Therefore, we have not included an industry comparison for our company.

For further details, please refer to the section titled “Risk Factors”, and chapters titled “Our Business” and “Restated Financial Information” beginning on page no. 28, 103 and 153 respectively of this Draft Prospectus.

### 6. Key Performance Indicators:

The table below sets forth the details of Key Performance Indicators that our Company considers to have a bearing for arriving at the basis for Offer Price. The key financial and operational metrics set forth below, have been approved and verified by the Audit Committee pursuant to its resolution dated September 12, 2024.

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which helps our Company in analyzing the growth of various verticals in comparison to our Company’s listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Offer Price which have been disclosed below. Additionally, the KPIs have been certified vide certificate dated September 13, 2024 issued by our Statutory Auditors M/s. A O Mittal & Associates, Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company’s performances and make an informed decision.

A list of our KPIs for the four months’ period ended on July 31, 2024 and Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022 is set out below:



Particulars	July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from operations (Rs. in Lakhs)	1613.40	7574.89	7179.90	6737.79
EBITDA (Rs. in Lakhs)	520.86	1499.01	990.63	797.31
EBIT (Rs. in Lakhs)	404.21	1187.31	663.92	478.18
EBITDA margin (%)	32.28	19.79	13.80	11.83
PAT (Rs. in Lakhs)	162.80	429.17	91.76	-34.46
Net Profit margin (%)	10.09	5.67	1.28	-0.51
Net worth (Rs. in Lakhs)	3254.88	3092.08	2662.91	2571.14
Return on capital employed (%)	3.13	8.64	5.30	3.82
Return on equity (%)	5.13	14.91	3.51	-1.33
Debt to equity ratio (times)	2.96	3.45	3.70	3.86
Fixed Asset Turnover Ratio (times)	4.74	1.03	1.12	1.23

Source: The Figure has been certified by our Statutory Auditors M/s. A O Mittal & Associates, Chartered Accountants vide their certificate dated September 13, 2024 vide UDIN: 24542840BKXCAE1029.

#### Explanation for the Key Performance Indicators

Sr. No.	Key Performance Indicator	Description and Rationale
1	Revenue from Operations	Revenue from operations include revenue from sales of products in domestic and exports markets, revenue from sale of scrap, gain on foreign exchange fluctuation and other operating revenue.
2	EBITDA	Earnings before interest, tax, depreciation and amortization and is calculated as the restated profit for the period or year plus tax expense, finance cost, depreciation and amortization expenses less other income and excluding exceptional items. EBITDA provides information regarding operational profitability and efficiency of our Company.
3	EBIT	Earnings before interest and tax is calculated as the restated profit for the period or year plus tax expense and finance cost less other income and excluding exceptional items.
4	EBITDA Margin	Percentage of earnings before interest, tax, depreciation and amortization and is calculated as the restated profit for the period or year plus tax expense, finance cost, depreciation and amortization expenses excluding exceptional items. This metric helps in benchmarking the operating profitability against the historical performance of our Company.
5	Profit after tax for the period	The amount that remains after a company has paid off all of its operating and non-operating expenses, other liabilities and taxes. It provides information regarding the profitability of our Company.
6	Net profit margin	Percentage of the amount that remains after a company has paid off all of its operating and non-operating expenses, other liabilities and taxes. It provides information regarding the profitability of our Company.
7	Net worth	Calculated as total of share capital and other equity. It provides information on the book value of the owners' equity in the business.
8	Return on capital employed	Return on capital employed is calculated using two components, i.e. earnings before interest and tax divided by capital employed. Capital employed is calculated by sum of net worth and

		total debt less cash and cash equivalents freely available. This provides us information on efficiency of our capital deployment and utilisation.
9	Return on equity	Return on Equity is calculated on the basis of net profit after tax divided by shareholder's equity and is calculated by profit after tax divided by our net worth (share capital and other equity). It indicates our Company's ability to turn equity investments into profits.
10	Debt to equity ratio	Debt to equity ratio is calculated by dividing our Company's debt by shareholders' equity (as a percentage). This metric is a measurement of our Company's financial leverage and provides us information on our current capital structure and helps us in targeting an optimized capital structure.
11	Fixed asset turnover ratio	Fixed asset turnover ratio is calculated as revenue from operations divided by property, plant and equipment.

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on pages 103 and 158, respectively. All such KPIs have been defined consistently and precisely in 'Definitions and Abbreviations – Conventional and General Terms and Abbreviations' on pages 8.

Subject to applicable laws, the Company confirms that it shall continue to disclose all the key performance indicators included in this "Basis for Offer Price" section, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (ii) till the utilization of the Net Proceeds as disclosed under "Objects of the Offer" on page 72.

## 7. Weighted average cost of acquisition

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

There has been no issuance of Equity Shares or convertible securities, excluding the shares issued under the ESOP 2022 and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoter, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer 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. Price per share based on the last five primary or secondary transactions\*

Since there are no such transactions to report to under (a) and (b), therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction), not older than three years prior to the date of this Draft Prospectus irrespective of the size of transactions, is as below:

Date of transfer	Name of Transferor	Name of Transferee	No. of Securities	Face Value	Issue Price	Nature of Consideration	Total Consideration
July 10, 2024	Ashok Babariya	Harsh Patel	57000	10	45	Transfer of Shares	25.65
July 10, 2024	Ashok Babariya	Monank Patel	57000	10	45	Transfer of Shares	25.65

July 2024	11,	Ashok Babariya	Zaverbhai Babariya	84500	10	45	Transfer of Shares	38.03
July 2024	24,	Ashok Babariya	Sanket Jhalavadiya	31500	10	45	Transfer of Shares	14.18
July 2024	11,	Mukesh Babariya	Chetan Patel	27720	10	45	Transfer of Shares	12.47
July 2024	11,	Mukesh Babariya	Manoj Babariya	146840	10	45	Transfer of Shares	66.08
July 2024	11,	Mukesh Babariya	Pravinchandra Dhanani	27720	10	45	Transfer of Shares	12.47
August 2024	23,	Mukesh Babariya	Ashwin Boda	27720	10	45	Transfer of Shares	12.47
July 2024	11,	Gulabben Babariya	Jaysukhbhai Babariya	84500	10	45	Transfer of Shares	38.03
July 2024	11,	Gulabben Babariya	Manojbhai Babariya	78160	10	45	Transfer of Shares	35.17
July 2024	11,	Gulabben Babariya	Dhansukhbhai Kakadiya	15120	10	45	Transfer of Shares	6.80
July 2024	11,	Gulabben Babariya	Sureshbhai Gajera	27720	10	45	Transfer of Shares	12.47
July 2024	24,	Gulabben Babariya	Sanket Jhalavadiya	24500	10	45	Transfer of Shares	11.03

#### Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price	Cap Price
(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.	NA#	NA	NA
(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 Selling Shareholders 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

(iii) Since there are no such transactions to report to under (i) and (ii) above, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Prospectus irrespective of the size of the transaction, is as below.	Rs. 45/-	NA	NA
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#As there are no transactions to be reported under parts (i) and (ii) above, computation of weighted average price is not required here.

*\*The above details related to WACA have been certified by our Statutory Auditors M/s. A.O Mittal & Associates, Chartered Accountants by their certificate dated September 13, 2024.*

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors,  
**3B Films Limited**  
Sf 220 Pancham Icon  
Besides D-Mart,  
Vasna Road Vadodara  
Gujarat 390007 India.

**Sub: Statement of Tax Benefits ('the Statement') available to 3B Films Limited ('the Company') and its shareholders under direct and indirect tax laws**

**Re: Proposed initial public offer ("IPO") of equity shares of face value Rs. 10 each ("Equity Shares") by 3B Films Limited ("Company") ("Offer") in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), and other applicable laws, as amended**

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1. We hereby confirm that the enclosed Annexure I, prepared by 3B Films Limited ('the Company'), which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, (collectively the "Taxation Laws"), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company and its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are 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.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the nonresident has fiscal domicile.
5. We do not express any opinion or provide any assurance as to whether i) the Company or its shareholders will continue to obtain these benefits in future; ii) the conditions prescribed for availing the benefits have been met with; and iii) the revenue authorities courts will concur with the views expressed herein.
6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.
7. No assurance is given that the revenue authorities / Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.

8. 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.

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

**Yours faithfully,**

**For A O Mittal & Associates**  
**Chartered Accountants**  
**FRN: - 014640C**

**Sd/-**  
**CA Shesha Soni**  
**Partner**  
**Membership No.: 542840**  
**UDIN: - 24542840BKXCAO5738**  
**Date: September 13, 2024**  
**Place: Vadodara**



## ANNEXURE TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and its Shareholders under Income Tax Act, 1961 and Income Tax Rules, 1962 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 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.

### **A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY:**

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

### **B. SPECIAL TAX BENEFITS AVAILABLE TO SHAREHOLDERS OF THE COMPANY:**

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

Note:

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. The above statement of possible special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

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## SECTION V-ABOUT THE COMPANY

### INDUSTRY OVERVIEW

#### INDUSTRY OVERVIEW

The information in this section includes extracts from various websites and publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager or any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Prospectus, including the information in the section titled “Risk Factors” and chapter titled “Restated Financial Information” beginning on page no. 28 and 153 respectively of this Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see section “Risk Factors” beginning on page no. 28 of this Prospectus. Accordingly, investment decisions should not be based on such information.

#### GLOBAL ECONOMIC OVERVIEW

##### GLOBAL PROSPECTS

Global growth is projected to stabilize at 2.6 percent this year, holding steady for the first time in three years despite flaring geopolitical tensions and high interest rates. It is then expected to edge up to 2.7 percent in 2025-26 amid modest growth in trade and investment. Global inflation is projected to moderate—but at a slower clip than previously assumed, averaging 3.5 percent this year. Given continued inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) will likely remain cautious in easing monetary policy. As such, average benchmark policy interest rates over the next few years are expected to remain about double the 2000-19 average.

Despite an improvement in near-term growth prospects, the outlook remains subdued by historical standards in advanced economies and EMDEs alike. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average pace. In 2024-25, growth is set to underperform its 2010s average in nearly 60 percent of economies, representing more than 80 percent of global population and world output. EMDE growth is forecast to moderate from 4.2 percent in 2023 to 4 percent in both 2024 and 2025. Prospects remain especially lackluster in many vulnerable economies—over half of economies facing fragile- and conflict-affected situations will still be poorer by the end of this year than on the eve of the pandemic.

Global risks remain tilted to the downside despite the possibility of some upside surprises. Escalating geopolitical tensions could lead to volatile commodity prices, while further trade fragmentation risks additional disruptions to trade networks. Already, trade policy uncertainty has reached exceptionally high levels compared to other years that have featured major elections around the world since 2000. The persistence of inflation could lead to delays in monetary easing. A higher-for-longer path for interest rates would dampen global activity. Some major economies could grow more slowly than currently anticipated due to a range of domestic challenges. Additional natural disasters related to climate change could also hinder activity. On the upside, global inflation could moderate more quickly than assumed in the baseline, enabling faster monetary policy easing. In addition, growth in the United States could be stronger than expected.

Against this backdrop, decisive global and national policy efforts are needed to meet pressing challenges. At the global level, priorities include safeguarding trade, supporting green and digital transitions, delivering debt relief, and improving food security. At the national level, persistent inflation risks underscore the need for EMDE monetary policies to remain focused on price stability. High debt and elevated debt-servicing costs will require policy makers to seek ways to sustainably boost investment while ensuring fiscal sustainability. To meet development goals and bolster long-term growth, structural policies are needed to raise productivity growth, improve the efficiency of public investment, build human capital, and close gender gaps in the labor market.

##### Regional Prospects.

Growth is projected to soften in most EMDE regions in 2024. In East Asia and Pacific, the expected slowdown this year mainly reflects moderating growth in China.

Growth in Europe and Central Asia, Latin America and the Caribbean, and South Asia is also set to decelerate amid a slowdown in their largest economies. In contrast, growth is projected to pick up this year in the Middle East and North Africa and SubSaharan Africa, albeit less robustly than previously forecast.

##### Harnessing the Benefits of Public Investments.

Public investment can be a powerful policy lever in EMDEs to help ignite growth, including by catalyzing private investment. However, public investment in these economies has experienced a significant slowdown in the past decade. In EMDEs with ample fiscal space and a record of efficient government spending, scaling up of public investment by one percent of GDP can increase output by up to 1.6 percent over the medium term. Public investment also crowds in private investment and boosts productivity, promoting long-run growth in these economies.

To maximize the impact of public investment, EMDEs should undertake wide-ranging policy reforms to improve public investment efficiency—by, among other things, strengthening governance and fiscal administration—and create fiscal space through revenue and expenditure measures. The global community can play an important role in facilitating these reforms—particularly in lower-income developing countries—through financial support and technical assistance.

**Fiscal Challenges in Small States: Weathering Storms, Rebuilding Resilience.** The COVID-19 pandemic and the global shocks that followed have worsened fiscal and debt positions in small states. This has intensified their already substantial fiscal challenges—especially the need to manage more frequent climate change-related natural disasters. Two-fifths of the 35 EMDE small states are at high risk of debt distress or already in it, roughly twice the share for other EMDEs. Fiscal deficits in small states have widened since the pandemic, reflecting increased government spending to support households and firms, as well as weaker revenues.

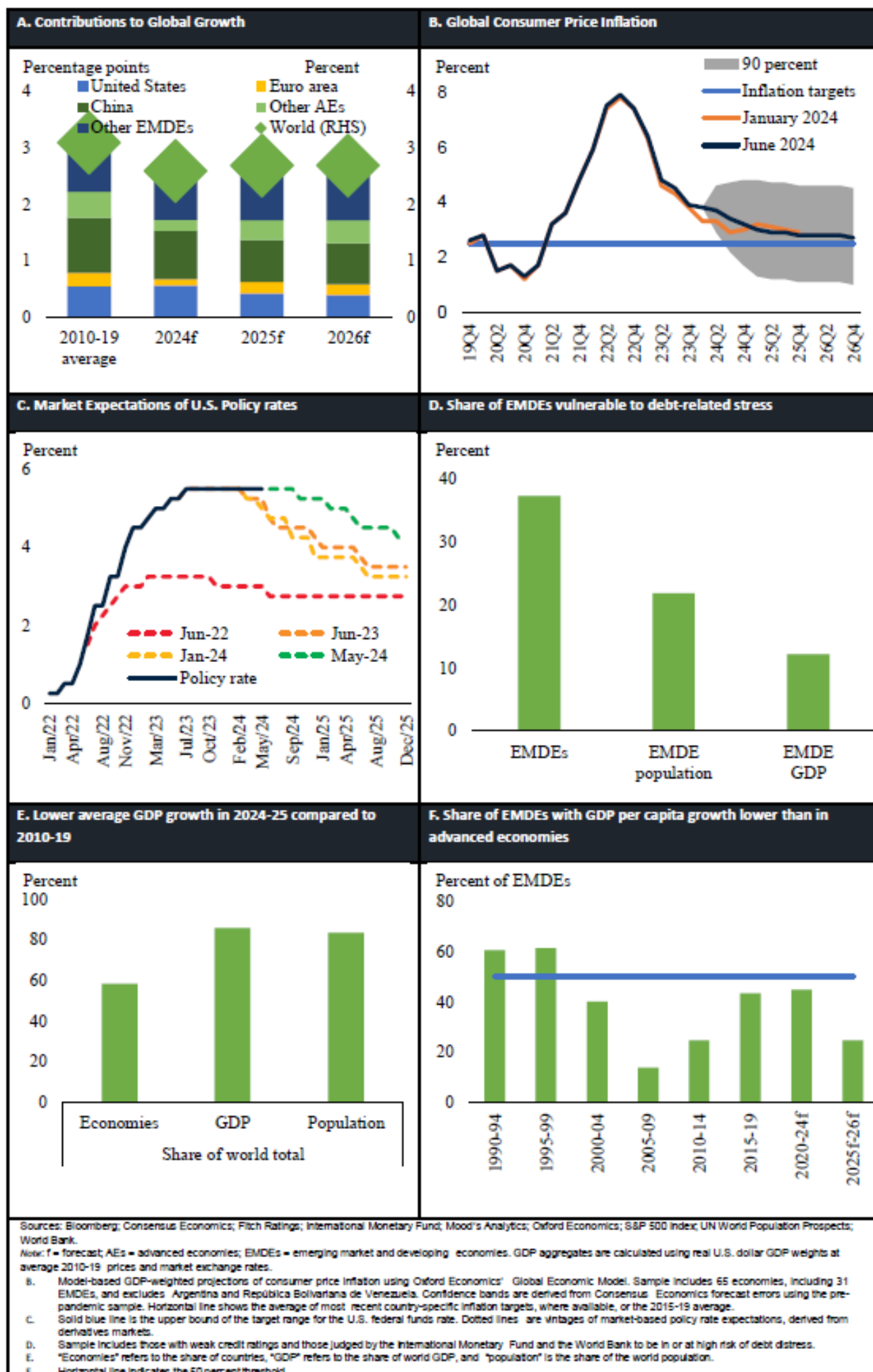
Comprehensive fiscal reforms are essential to address the fiscal challenges confronting small states. First, small states’ revenues, which are highly volatile, should be drawn from a more stable and secure tax base. Second, spending efficiency needs to be improved. These changes should be complemented by reforms to fiscal frameworks, including better utilization of fiscal rules and sovereign wealth funds. Finally, the global community can bolster funding for small states to invest in climate change resilience and adaptation, and other priority areas, including technical assistance in fiscal policy and debt management.

(Source: <https://www.worldbank.org/en/publication/global-economic-prospects>)

## Global prospects

The global economy is stabilizing but the outlook remains subdued—both advanced economies and EMDEs are projected to grow at a slower pace over 2024-26 than in the pre-pandemic decade. Recent upward pressures on global core inflation are anticipated to gradually ease, such that headline inflation converges to levels broadly consistent with central bank targets by 2026. Market expectations for the path of U.S. policy rates have been repeatedly revised higher. Amid elevated borrowing costs, about two-fifths of EMDEs are acutely vulnerable to debt stress. In 2024-25, growth is expected to underperform its 2010-19 average in countries comprising more than 80 percent of global output and population. The multiple shocks of recent years have impeded per capita income catch-up, with almost half of EMDEs losing ground relative to advanced economies over 2020-24.

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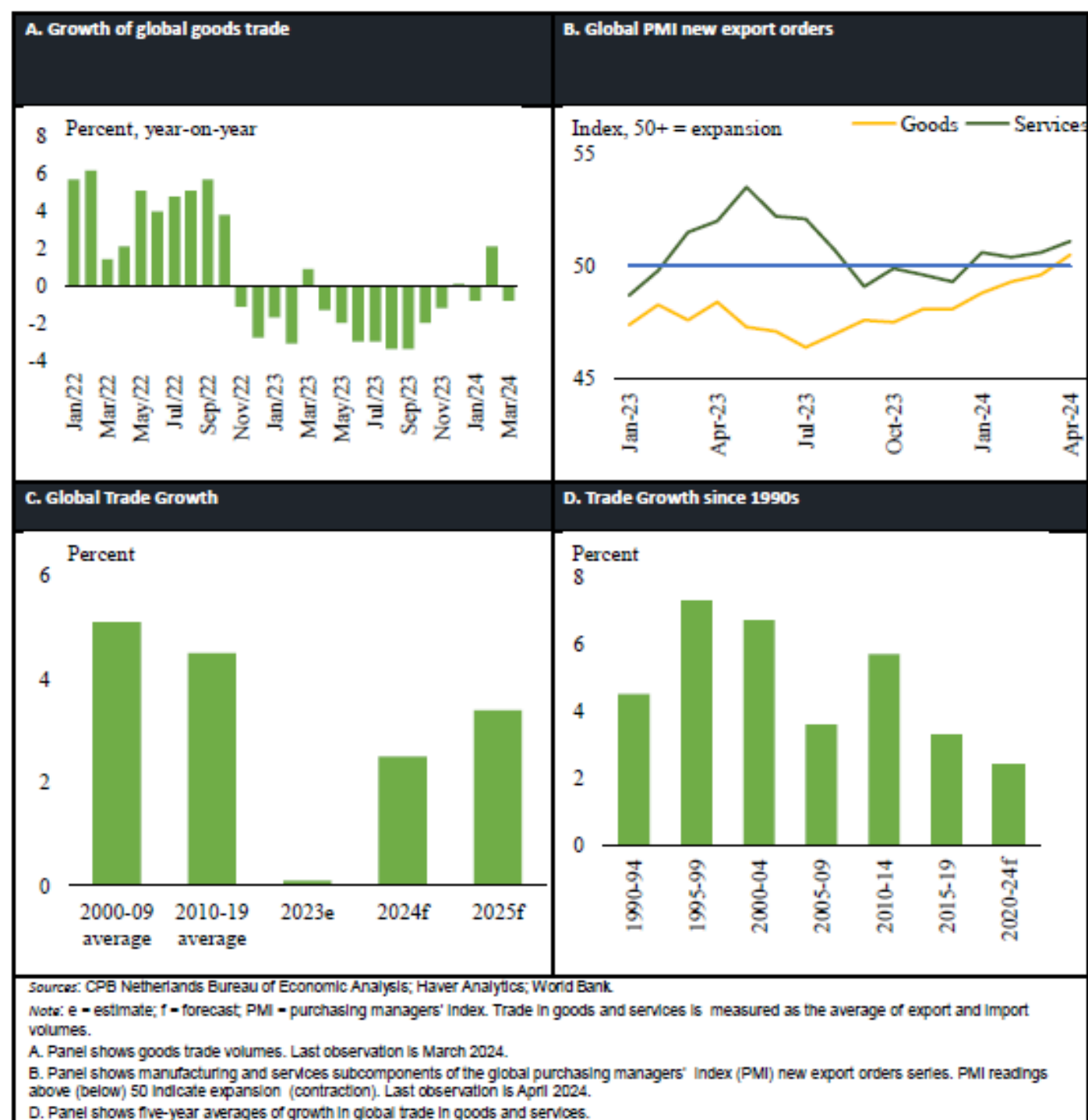


## Global Risks and Policy Challenges

Risks to the outlook are somewhat more balanced but remain skewed to the downside. Pronounced trade policy uncertainty—already at its highest level compared with other years of major elections since 2000—could portend further trade restrictions and weigh on global trade. Advanced-economy interest rates are expected to remain well above 2000-19 average levels and could turn out higher still if inflationary pressures persist, substantially slowing global growth. Conflict-related oil supply disruptions could raise oil prices, dampen economic activity, and undermine the disinflation process. EMDE fiscal policy makers confront exacting trade-offs, given elevated borrowing costs and large financing needs. Improving public investment efficiency in EMDEs is crucial, especially given constrained fiscal space.

### Global Trade

Global trade in goods and services was nearly flat in 2023 amid goods trade contractions for most of the year. Leading indicators suggest that services trade has stabilized. Global trade in goods and services is projected to expand by 2.5 percent in 2024 and 3.4 percent in 2025 but remain well below the average rates of the two decades preceding the pandemic. In all, global trade growth in 2020-24 is set to register the slowest half decade of growth since the 1990s.



## Global Inflation

The pace of decline in core inflation has slowed this year. In major advanced economies, disinflation in consumer goods prices appears to have bottomed out, while inflation in consumer services prices remains elevated. High core inflation in EMDEs was driven by services, including shelter. Global inflation is expected to gradually decelerate toward average inflation targets by 2026, amid softening core inflation.

## Global financial developments

Global financial conditions have eased, on balance, since last year, primarily reflecting declines in risk premia amid still-elevated interest rates. Central Banks across major advanced economies are expected to gradually lower policy rates this year, but the level of real interest rates is set to remain a headwind to economic activity-albeit a diminishing one-for some time. Policy rate projections derived from financial markets have been volatile since U.S policy tightening started in 2022, with expectations repeatedly revised higher over time. Meanwhile, most advanced -economy central banks continue emphasize that the pace of easing will be cautious, reflecting persistent inflationary pressures-and, in the case of the United States, robust economic activity. As such, government bond yields are well above pre-pandemic levels and are likely to remain so, absent large negative shocks to growth.

## INDIAN ECONOMIC OVERVIEW

### INTRODUCTION

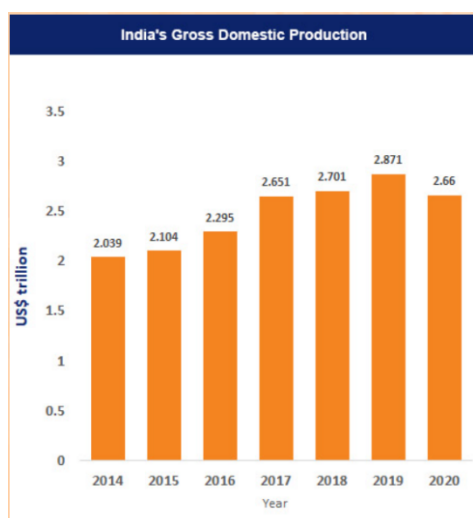
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFI's (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## MARKET SIZE



Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3<sup>rd</sup> in the renewable energy country attractive index. According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic



slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48<sup>th</sup> most innovative country among the top 50 countries, securing 40<sup>th</sup> position out of 132 economies in the Global Innovation Index 2023. India rose from 81<sup>st</sup> position in 2015 to 40<sup>th</sup> position in 2023. India ranks 3<sup>rd</sup> position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs. 1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.

- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.

- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- ‘Mission Shakti’ was applicable with effect from April 1, 2022, aimed at strengthening interventions for women’s safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. Livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of “One Station, One Product” was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India’s cabinet approved the

production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.

- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## ROAD AHEAD

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5<sup>th</sup> in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

**Note:** Conversion rate used for January 2024 is Rs.1 = US\$ 0.012

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

## GLOBAL MARKET

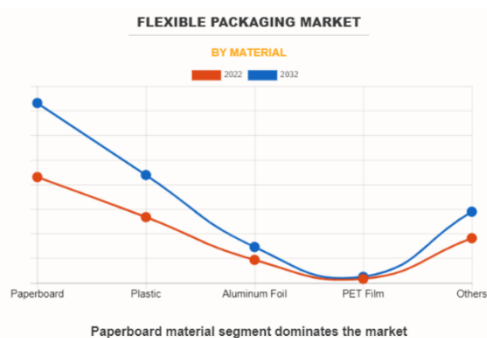
The global flexible packaging market was valued at \$197.4 billion in 2022, and is projected to reach \$325.8 billion by 2032, growing at a CAGR of 5.1% from 2023 to 2032.

Flexible packaging is one of the fastest-growing segments of the packaging industry, as it adds value, sustainability, and marketability to both food and non-food products by combining the best qualities of plastic, film, paper, and aluminum foil to deliver a broad range of protective properties while using the least amount of material. These versatile packaging supplies functional solutions that require minimal production costs. From consumer goods to electronics and cosmetics to medical supplies, flexible packaging is an important component in the supply chain of many industries and products.

Flexible packaging adds value and marketability to both food and non-food products by combining the finest qualities of plastic, film, paper, and aluminum foil to provide a wide range of protective properties with the least amount of material. An increase in demand for snack and convenience foods in small or single-size portions fuels the growth of the flexible packaging market. The packaging industry is moving toward flexible packaging, owing to its multi-fold energy and environmental advantages.

Flexible packaging combines the qualities of plastic, paper, and aluminum foil without compromising on the freshness, barrier protection, durability, printability, or simplicity of use of the product. Thus, multiple advantages associated with flexible packaging drive the growth of the global. However, recycling of plastic packaging waste is a complex process that requires state-of-the-art infrastructural facilities. It is a time-consuming process that needs personnel expertise, which hampers the growth of the flexible packaging market.

The global flexible packaging market is segmented on the basis of material, packaging type, end-use industry, and region. On the basis of material, the market is categorized into paperboard, plastic, and aluminum foil. By packaging type, it is divided into stand-up pouch, films, bag-in-box, and others. Depending on end-use industry, it is segregated into food & beverages, personal care, pharmaceutical, household care, industrial, and others. Region wise, the market is studied across North America, Europe, Asia-Pacific, and LAMEA.



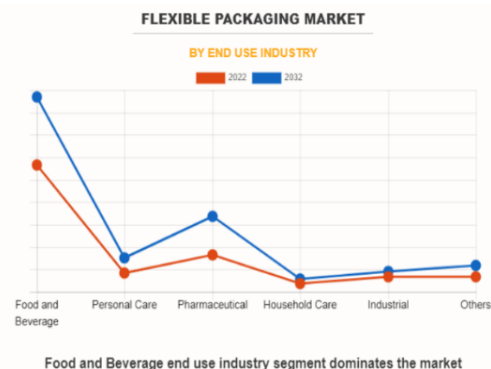
Based on packaging type, the film segment held the highest market share in 2022, accounting for more than two-third of the global flexible packaging market revenue, and is estimated to maintain its leadership status throughout the forecast period. Moreover, the film segment is projected to manifest a CAGR of 5.16% from 2023 to 2032. Packaging films are generally made of plastic, as it is light and relatively cheaper. These enable the preservation of the products for long durations. These are preferred by consumers in the food & beverages industry, owing to their aesthetic appeal that aids in its promotion. This will help propel the growth of the market during the forecast period. Furthermore, the market is expected to witness growth in the consumption of biodegradable films during the forecast period.

Based on material, paperboard segment held the highest market share in 2022, accounting for more than two-fifths of the global flexible packaging market revenue, and is estimated to maintain its leadership status throughout the forecast period. Moreover, paperboard segment is projected to manifest a CAGR of 5.38% from 2023 to 2032. The demand for paperboard-based flexible packaging materials is predominantly driven by the food & beverages industry, as they market their products such as milk, dairy products, juices, and soft drinks in cartons, tetra packs, and boxes.

Furthermore, recent advances in environmentally friendly packaging are helping packaging manufacturers meet the demand for recyclable products as consumers seek to reduce waste and limit the harmful impact of modern living on the environment. In addition, advancements in paperboard packaging is a major factor that fosters the market growth.

Based on the End Use Industry, the food & beverage segment held the highest market share in 2022, accounting for nearly three-fifths of the global flexible packaging market revenue, and is estimated to maintain its leadership status throughout the forecast period. Moreover, the pharmaceutical segment is projected to manifest a CAGR of 7.4% from 2023 to 2032. Pharmaceutical packaging is witnessing high demand as healthcare demand rises and consumers become more conscious of the need to live a healthier lifestyle. Furthermore, enhanced drug delivery; expanding economy markets such as India, Thailand, and China; as well as new packaging solutions that improve patient comfort and compliance drive the pharmaceutical packaging industry.

Based on region, Asia-Pacific held the highest market share in terms of revenue in 2022, accounting for nearly two-fifths of the global flexible packaging market revenue, and is likely to dominate the market during the forecast period. However, the North America region is expected to witness the fastest CAGR of 6.03% from 2023 to 2032. The U.S. is the dominant country in the region in terms of market share, followed by Canada. Mexico shares the lowest share in the market. This is attributed to rise in activities in the on-site application of flexible packaging in the region.





The presence of big corporations and industrial giants drives the demand for flexible packaging. Moreover, the development of the personal care industry in Mexico acts as a key driving factor for the North America flexible packaging market. In addition, rise in demand for pharmaceuticals in Canada contributes to the market growth.

The major players operating in the global flexible packaging market include Berry Global Inc., Amcor Plc, FlexPak Services LLC, Mondi Group, Sealed Air Corporation, Constantia Flexibles, Transcontinental Inc., Coveris Holding SA, Huhtamaki, and Sonoco. These players have adopted product launches, joint ventures, partnerships, and expansion of the production capabilities to meet the future demand for the flexible packaging market.

(Source: <https://www.alliedmarketresearch.com/flexible-packaging-market>)

## INDIAN PACKAGING INDUSTRY

The India Packaging Market was estimated to be worth US\$ 50.5 billion in 2019 and is projected to grow at a compound annual growth rate (CAGR) of 26.7% to reach US\$ 204.81 billion by 2025

The packaging industry stands as the fifth largest industry in India, the government plans to adopt several initiatives that focus on the sustainability manufacturing methods, minimizing of plastic packaging and adoption of sustainable material for the packaging industry.

The packaging industry value chain in India encompasses several key stages, starting from the feedstock supplier to the end consumer. It begins with raw material providers who supply materials like wood pulp, recycled paper, plastic resins, metals, and glass. These raw materials are then processed by manufacturers into suitable forms for packaging production, including pulp mills for paper, plastic manufacturers for plastic pellets, and metal refiners for metal sheets. Packaging producers further convert these materials into various packaging solutions such as paperboards, plastic containers, metal cans, and glass bottles. Packaging converters and contract packagers then customize and package products according to specific requirements, serving brand owners including product manufacturers and private label owners. Ultimately, consumers use packaged products for consumption, storage, or transportation, while also contributing to waste management efforts through responsible disposal and recycling practices. Throughout this value chain, stakeholders collaborate to meet market demands, adhere to regulatory standards, and embrace sustainability initiatives shaping the packaging industry in India.

(Source: <https://www.ibef.org/industry/paper-packaging>)

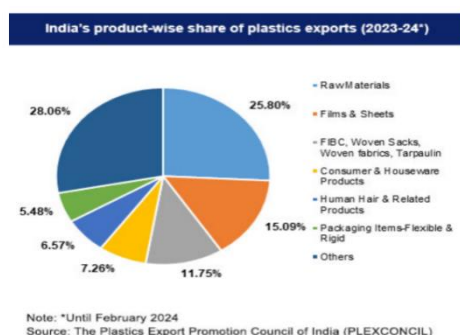
## PLASTIC INDUSTRY

Plastics comprise a diverse group of synthetic organic polymers that form an integral and ubiquitous component of the operation of modern society. Since the mass production of plastic products began in the 1940s, the amount of plastic being manufactured has increased considerably, with the [global plastic market](#) valued at 712 billion U.S. dollars in 2023 and expected to experience considerable growth over the next decade.

Plastics are versatile materials that are used in a wide range of products and applications. However, not all plastics are the same. There are approximately seven broader types of plastic that are produced and consumed in large quantities: polyethylene terephthalate (PET), high-density polyethylene (HDPE), polyvinyl chloride (PVC), low-density polyethylene (LDPE), polypropylene (PP), polystyrene/100tilizati (PS), and miscellaneous plastics. Among them, polypropylene (PP) stands out with a [production volume](#) of 75.40 million metric tons in 2020, projected to reach 107.20 million metric tons by 2050. PP is a versatile plastic widely used in various industries, including automotive, packaging, textiles, and household goods. Its exceptional combination of properties, such as durability, chemical resistance, and thermal stability, makes it suitable for applications such as automotive parts, food packaging, and consumer products.

(Source: <https://www.statista.com/topics/5266/plastics-industry/#editorsPicks>)

## INDIAN PLASTICS INDUSTRY AND EXPORTS



The Indian plastic industry is one of the leading sectors in the country's economy. The history of the plastic industry in India dates back to 1957 with the production of polystyrene. Since then, the industry has made substantial progress and has grown rapidly. The industry is present across the country and has more than 2,500 exporters. It employs more than 4 million people in the country and constitutes 30,000 processing units; among these, 85-90% belong to small and medium enterprises. India manufactures various products such as plastics and linoleum, houseware products, cordage, fishnets, floor coverings, medical items, packaging items, plastic films, pipes, raw materials, etc. The country majorly exports plastic raw materials, films, sheets, woven sacks, fabrics, and tarpaulin. The Government of India intends to take the plastic industry from a current level of Rs. 3 lakh crore (US\$ 37.8 billion) of economic activity to Rs. 10 lakh crore (US\$ 126 billion) in 4-5 years.

10 Plastic Parks have been approved in the country by The Department of Chemicals and Petrochemicals. Among these, six plastic parks have received final approval from the following states – Madhya Pradesh (two parks), Assam (one park), Tamil Nadu (one park), Odisha (one park), and Jharkhand (one park). These parks are intended to boost employment and attain environmentally sustainable growth.

(Source: <https://www.ibef.org/exports/plastic-industry-india>)



## EXPORT TREND

### TREND IN PLASTICS EXPORT

Exhibit 2: Trend in plastics export by India

(USD Million)



Source: Ministry of Commerce & Industry, Government of India

During April 2024, India exported plastics worth USD 907 million, lower by 4.3% from USD 947 million in April 2023. In the last financial year i.e. April 2023 to March 2024, India witnessed plastics exports of USD 11.5 billion.

The export performance during April 2024 was somewhat mixed. Product panels, namely, Plastic films and sheets; Packaging items – flexible, rigid; FIBC, Woven sacks, Woven fabrics, tarpaulin; FRP & Composites; Floorcoverings, leathercloth & laminates; and Plastic pipes & fittings performed well. However, product panels like Plastic raw materials; Consumer & houseware products; Medical items of plastics; Cordage, fishnets & monofilaments; Writing instruments & stationery; Human hair & related products; and Miscellaneous products and items nes reported a negative growth in exports.

Exhibit 3: Panel-wise % growth in plastics export by India

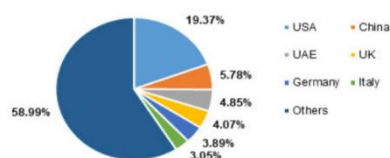
Panel	Apr-23 (USD Mn)	Apr-24 (USD Mn)	Growth (%)
Consumer & houseware products	62.4	56.9	-8.9%
Cordage, fishnets & monofilaments	22.0	20.0	-9.0%
FIBC, woven sacks, woven fabrics, & tarpaulin	105.3	110.0	+4.5%
Floorcoverings, leathercloth & laminates	51.5	52.4	+1.6%
FRP & Composites	34.9	39.0	+11.8%
Human hair & related products	67.0	49.9	-25.5%
Medical items of plastics	46.1	42.4	-8.0%
Miscellaneous products & items nes	81.0	42.8	-47.1%
Packaging items - flexible, rigid	47.2	52.4	+11.2%
Plastic films & sheets	139.2	161.7	+16.2%
Plastic pipes & fittings	22.2	22.3	+0.4%
Plastic raw materials	245.7	235.2	-4.3%
Writing instruments & stationery	22.9	21.9	-4.1%
	947.2	906.8	-4.3%

Source: Ministry of Commerce & Industry, Government of India

(Source: <https://plexconcil.org/public/custom/files/magazine/Plexconnect-Edition-60.pdf>)

## EXPORT DESTINATIONS

Country-wise share in exports of plastic products during 2022-23



Source: PLEXCONCIL

India exports plastic to more than 200 countries in the world. The top five consumer and houseware product importing countries are the USA, Germany Japan, the UK, and France. India largely exports plastic and related products to the USA, China, the UAE, the UK, Germany, Italy, Bangladesh, etc. The total value of exports to the USA, the largest consumer of the Indian plastic industry, stood at US\$ 2.31 billion in 2022-23, a decrease of 4.71% YoY. China was the second largest consumer of plastic export products from India and the total value of exports stood at US\$ 690.95 million. The USA and China constituted 19.37%, and 5.78%, of the total plastic exports in 2022-23.

The total plastic exports from India to France during 2022-23 was around US\$ 211.4 million. In order to boost exports to France and Europe, PLEXCONCIL collaborated with the Indo-French Chamber in the first quarter of 2021-22. The Minister for Commerce and Industry, Mr. Piyush Goyal, recently urged industry to adopt international standards to help it expand its global footprint.

India has recently signed a free-trade agreement with UAE and Australia, which will give the plastics industry new opportunities.

## GOVERNMENT INITIATIVES

The Plastic Export Promotion Council (PLEXCONCIL) has set a target to increase the plastic exports of the country to US\$ 25 billion by 2027. There are multiple plastic parks that are being set up in the country in a phased manner that will help improve the plastic manufacturing outputs of the country. Under the plastic park schemes, the Government of India provides funds of up to 50% of the project costs or a ceiling cost of Rs.

40 crore (US\$ 5 million) per project. Government initiatives like “Digital India”, “Make in India”, and “Skill India” will also boost India’s Plastic industry. For instance, under the “Digital India” program, the government aims to reduce the import dependence on products from other countries, which will lift the local plastic part manufacturers. The government also launched a program for building Centres of Excellence (CoEs) to develop the existing petrochemical technology and promote the research 102tilizationt pertaining to the sector in the country. This will aid in promoting and developing new applications of polymers and plastics in the country. Additionally, about 23 Central Institute of Plastics Engineering & Technology (CIPET) have been approved to accelerate financial and technological collaboration for promoting skills in the chemicals and petrochemicals sector.

## GOVERNING BODY

The Plastic Export Promotion Council (PLEXCONCIL)



PLEXCONCIL was established by the Ministry of Commerce and Industry in 1955. The main objective of this non-profit organization is to highlight India as a reliable supplier of high-quality products. PLEXCONCIL is the apex body of the plastics industry in the country and represents more than 2,500 exporters who manufacture and trade plastics products ranging from plastic raw materials to semi-finished and finished items.

(Source: <https://www.ibef.org/exports/plastic-industry-india>)

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## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled “Forward Looking Statements” on page 21 for a discussion of the risks and uncertainties related to those statements and the section entitled “Risk Factors” on page 28 for a discussion of certain risks 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 stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Draft Prospectus on page 153. Unless stated otherwise, industry and market data used in this Draft 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 90.*

### BUSINESS OVERVIEW

Our Company was incorporated on September 03, 2014 under the name and style of ‘3B Films Private Limited’ as a private limited company with a vision to revolutionize the CPP films industry through cutting-edge technology and unwavering dedication in providing superior quality Cast Polypropylene (CPP) and Cast Polyethylene (CPE) films. Our Company is promoted and pioneered by Mr. Ashokbhai Babariya with his brothers, Mr. Mukeshbhai Babariya and Mr. Nitinbhai Babariya and they are associated with our company since its inception. Mr. Ashokbhai Babariya, Promoter and Managing Director of the Company has an engineering background with more than three decades of experience in entrepreneurship and a decade experience in unique and specialty packaging solutions. He has formed this company after a detailed survey of packaging industries and guided our company in expanding its operations by taking strategic initiatives such as de-risking entire business by strategic product & market selection, starting of exports, adoption of best technology, timely expansion, development in products etc. In 2017, our company successfully completed the installation of a cutting-edge plant, along with state-of-the-art machinery imported from Italy and Germany to pursue our main object. This marked the beginning of our journey into the production of CPP and CPE films, which find applications in the food packaging industry, FMCG packaging, and various non-food packaging sectors. We presently operate from our manufacturing unit located in Vadodara, Gujarat at Block no:-1241, 1242, 1243, 1244, Padra-Jambusar Highway, Post. Masar, Taluka: Padra, Dist. Vadodara, Gujarat, India-391421 spread over 4-36-19 H.A. Further, our Company was converted into Public Limited Company and name of company was changed from “3B Films Private Limited” to “3B Films Limited” pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on March 14, 2024 and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad at Gujarat dated June 21, 2024. The CIN of the Company is U25200GJ2014PLC080685.

Our company is engaged in the manufacturing and supply of CPP & CPE films tailored to meet the diverse needs of the flexible packaging industry and high-end thermoforming applications and thus play a pivotal role in delivering innovative packaging solutions to our clients of a wide array of industries. Our product portfolio includes a wide range of CPP films designed to address the specific needs of various industries, including food and beverage, clothing, flowers and other consumer goods. From high-clarity films for premium packaging to high-barrier films for extended shelf life, we offer solutions that cater to the evolving demands of the market as we presently are equipped with such a manufacturing facility capable of producing CPP & CPE films spanning a thickness range from 15 to 250 microns. Further, considering the future prospect of Adhesive Laminated Films in line of present business of the Company, in the financial year 2023-24, Our company also started trading of said films and recorded turnover of Rs.22.59 Crore in the first financial year itself. To exploit the potential business opportunities prevailing in the market, the company is planning to install machines in its manufacturing unit itself to manufacture adhesive laminated films in the years to come.

As part of our commitment to operational efficiency, our company reprocesses the scrap generated during the manufacturing of CPP & CPE films. This scrap is reprocessed into granules, which are subsequently sold in the market. These granules serve as a valuable raw material in various industries, contributing to the circular economy by minimizing waste and maximizing resource recovery. In the financial year 2023-24, the company generated 464.44 Lakhs in sales from this reprocessed material. Additionally, in the four-month period ending in July 2024, sales from the granules reached 135.95 Lakhs, representing the 6.13% and 8.43% of the company’s total revenue for the respective periods. This initiative enhances the profitability of our operations by capitalizing on by-products of our core manufacturing processes.

Our Company is equipped with the necessary facilities to carry out research and development which carry out necessary tests and trials to develop and devise the quality film suitable to the nature of the product and the requirement of the various domestic and international packaging regulations and standards. We carry out our research within our manufacturing unit itself with an objective to implement a performance-oriented approach with the help of imported technologies installed in the Company. Our Personnel are having an experience for the development of new films. With availability of Research & Development facilities, our Company ensures that the packaging needs and demands of our customers suitable to their final products are effectively met.

We have a quality control and assurance division (“Quality Division”) to carry out the required tests on the materials received including raw materials which are used in the manufacturing process and also on the final products to ensure that the quality is built throughout the process. We ensure adherence to the domestic and international standards laid down for our products. Our Company has received different certifications for the manufacturing process, managements systems implemented and the packaging products manufactured such as ISO 9001:2015 certificate and ISO 22000:2018 from Alcumus ISOQAR for manufacture and supply of CCP and metalised films in respect of production of food packaging. Further, from Alcumus ISOQAR has issued a certificate certifying meeting the requirements of Global standards for Packaging Materials which means our company is also BRCGS certified. For further details, please refer to the chapter titled “Government and other Statutory Approvals” and “Awards and Accreditations” in the chapter titled “History and Certain Corporate Matters” at pages 171 and 130 of this Draft Prospectus.

As part of our commitment to environmental stewardship, we have embraced the principles of “Reuse, Recycle, and Up-cycle” throughout our operations. Our manufacturing process prioritizes sustainability by producing films that are highly recyclable. Moreover, our plant is designed to operate with zero wastage and minimal environmental impact, aligning with our vision to create a more sustainable future for the packaging industry.



In response to this early success, Our Company made significant strides by installing new imported machineries. This upgrade effectively doubled our production capacity boosting it to approximately 750 MT per month from 375 MT per month, equivalent to around 9000 MT per annum from 4500 MT per annum. The addition of an MDO Unit to the second manufacturing line enabled us to expand our offerings further, enriching our extensive range of products. For further details on our installed capacity and its utilization, please refer to pages 117 of this Draft Prospectus.

Located near Vadodara, Gujarat, 3B Films Limited enjoys a strategic position that enables us to serve both domestic and international markets efficiently. Our ability to easily connect with major ports such as Hazira, Mundra, and Nhava Sheva, minimizes freight costs and ensures smooth shipment of goods to various destinations worldwide. We have successfully catered to the needs of customers across regions and countries including the UK, Africa, Sri Lanka, Nepal, Dubai, United Arab Emirates, and Saudi Arabia. With easy access to transportation facilities, entering new geographical markets is seamless for us. We remain committed to expanding our reach and delivering quality products to customers around the globe.

By offering a diverse array of films, we provide customers with the flexibility to choose products that best suit their specific packaging needs tailored solutions that address their specific packaging challenges and objectives. In this line, our company further plans to utilise part of net proceeds to make forward integration of our manufacturing facilities by installing printing and lamination machines at our plant by which our company will be able to print, laminate and pouch the CPP and CPE films (currently manufactured by the company) as per the requirements of the customers. For further details, please refer to page no 72 of section titled “Object of the Offer” of this Draft Prospectus

Our revenues from operations for the Fiscal periods ended 2024, 2023 and 2022 were Rs. 7574.89 lakhs, Rs. 7179.90 lakhs and Rs. 6737.79 lakhs respectively. Our EBITDA for the Fiscal periods ended 2024, 2023 and 2022 were Rs. 1499.01 lakhs, Rs. 990.63 lakhs and Rs. 797.31 lakhs respectively. Our profit after tax for the Fiscal periods ended 2024, 2023 and 2022 were Rs. 429.17 lakhs, Rs. 91.76 lakhs and Rs. (34.46) lakhs respectively. For further details, please refer to the section titled “Restated Financial Information” on page 153 of this Draft Prospectus.

## OUR LOCATIONAL PRESENCE

### Registered Office:



SF -220, Pancham Icon, Besides D-Mart,  
Vasna Road, Vadodara, Gujarat, India-390007.

### Factory Premises:



Block No:-1241, 1242, 1243, 1244, Padra- Jambusar Highway, Post. Masar,  
Taluka:-Padra, Dist. Vadodara, Gujarat, India-391421

## OUR PRODUCT PORTFOLIO

Our product portfolio encompasses a range of CPP and CPE films, offering versatility, performance, and sustainability to meet the evolving needs of the flexible packaging industry and high-end thermoforming applications. A brief of the same is given below:

### 1) **Cast Polypropylene (CPP) Films:**

Cast Polypropylene (CPP) films are produced by blending multiple grades of PP polymer. They come in various architectures, offering versatility for specialty packaging needs. For instance, twist wraps for candies and sealing layers for food packaging alongside other plastic substrates. These films serve different purposes, providing barrier properties, flexibility, and durability, ensuring the protection and preservation of various products.







Key characteristics of CPP films are:

- High Clarity and Gloss
- Higher seal strength
- Good hot tack strength
- Good anchoring of inks and adhesive to Treated Surface
- Good machinability on Packaging line
- Resistance to grease and oil
- Good resistance to tears & puncture
- Good moisture barrier
- Low static properties

## 2) Cast Polyethylene (CPE) Films:

The Plain CPE Film is a co-extruded polyethylene film, one side slipped as the sealing layer, and other side treated with Corona being suitable lamination with other polymer films. At 3B Films, we have the provision of giving CT treatment on both sides of the film so that our MET CPE/CPP can be used as a sandwich layer in the laminate in applications such as pouching, etc.


Key characteristics of CPE films are:


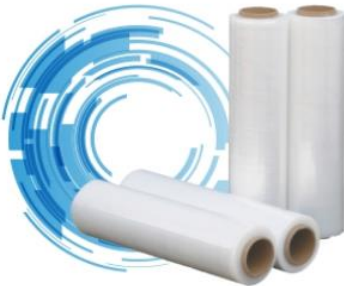



- Good Optics (Excellent Clarity).
- Cold resistant.
- Soft & tough.
- High hot tack strength.

Applications:


It is widely used in packing cold foods, PE based Pouching, overwrapping applications (for machinery parts), rice bag (also good for vacuum), pasteurized milk, electronic device, etc.

Our Products based on aforementioned categories of CPP and CPE films are as follows:

Product	Description	Application
<b>1) Transparent/ Natural CPP</b> 	<b>Features:</b> Excellent clarity and gloss High tensile strength Superior heat resistance  CPP transparent films are ideal for use in food packaging because of their exceptional gloss and clarity, as well as their good heat sealing and anti-blocking qualities. They can also be used in contact with food items. The food industry typically uses Thermoformable films and CPP film with a thickness of 15–250 microns. It has excellent clarity	-Food packaging (e.g., snacks, confectionery) -Stationery packaging -Overwrap for consumer goods  End Uses: Pasta, macaroni, fresh meals, spices, bread and bakery products, etc.

<p><b>2) Metallized CPP</b></p> 	<p>Metallized CPP films with a metallic appearance, offering enhanced barrier properties and aesthetic appeal.</p> <p>When compared to aluminum foil, which is more expensive, metallized CPP film has nearly identical properties to foil and can be heat sealed on both sides. This grade typically has a thickness range of 15 to 40 microns. Usually, it is laminated to either plain or printed BOPP or polyester.</p> <p><b>Features:</b>          Excellent moisture and oxygen barrier          Enhanced shelf life for packaged products          Attractive metallic finish</p>	<p>-Flexible packaging for snacks and dry foods          -Decorative packaging for cosmetics and personal care products          -Barrier lamination for chips, snacks, candies, and other items</p> <p>End Uses: Cakes, biscuits, tobacco, pet food boiled sugar candies, noodles, spices etc.</p>
<p><b>1) White Opaque CPP</b></p> 	<p>Normally 15-250-micron thickness is used for white opaque films in combination of either BOPP or Polyester films, both in printed as well as plain form. It is laminated to reverse printed plain polyester for the said application.</p>	<p>Detergent, Packaging, Candy overwrap, biscuits, confectionaries, etc.</p> <p>End Uses: Biscuits, Confectionaries, Noodles, Pastas Macaroni, Thermoformed Packing, etc.</p>
<p><b>1) Retort Grade CPP</b></p> 	<p>Lamination Retort grade CPP film ranges between 60 to 150 microns. Retort CPP is a PP-based sealant film with excellent heat resistance that is specially formulated for retort applications.</p>	<p>Lamination with printing substrate for applications in medical products, MRE Packs, Dog Food, etc. Retort pouches are used in field rations, space food, fish products, camping food, instant noodles, etc.</p>
<p><b>5) High Metal Bond CPP</b></p> 	<p>High metal bond CPP is used in applications where good moisture vapor barrier is required for a long period of time to increase the shelf life of the product packed. It is also suitable for high-speed converting lines.</p>	<p>Biscuits, Rusk, etc.</p>
<p><b>6) Nitrogen Flushing Grade CPP</b></p> 	<p>This is used in applications where the final packaging is flushed and filled with Nitrogen Gas.</p>	<p>Chips, etc.</p>



<p><b>7) Ethylene-vinyl alcohol copolymer (EVOH) based CPP</b></p> 	<p>Such EVOH based CPP is used in applications where a low Oxygen Transmission Rate (OTR) is required as certain foods are quite reactive to oxygen. This ultra-barrier is also helpful in keeping the flavor intact of the packaged food.</p>	<p>Meat, cheese, fresh foods, Fruit Packaging, etc.</p>
<p><b>8) Wide range SIT Films (from 80oC to 1200C)</b></p> 	<p>This kind of a CPP Film has a low Seal Initiation Temperature (SIT) for excellent performance on a FFS (Form-Fill-Seal) machine. The lower the SIT, the higher the output on the FFs machine.</p>	<p>Biscuits, Nuts, Grains, etc.</p>
<p><b>9) Easy-Peelable CPP (Lidding Applications)</b></p> 	<p>Easy Peel-able Transparent Lamination Grade CPP film ranges between 30 to 120 Micron and used for lidding applications. Suitable for Lamination with BOPP, PET, PE. It also provides a constant Easy-opening force over a wide sealing temperature window.</p>	<p>Used to lid over packaging of articles for Yogurts, pudding, trays, etc.</p>
<p><b>10) Anti-Fog CPP</b></p> 	<p>Transparent CPP films specially formulated with anti-fog properties to prevent fogging and condensation, ensuring optimal visibility of packaged products.</p> <p>Features:</p> <ul style="list-style-type: none"> <li>-Anti-fog coating for enhanced clarity</li> <li>-Maintains visibility in high-humidity environments</li> <li>-Excellent printability for branding and labelling</li> </ul>	<p>Fresh produce packaging (e.g., fruits, vegetables)</p> <p>Refrigerated and frozen food packaging</p> <p>Deli and bakery items packaging</p>
<p><b>11) Easy-Peel + Anti-Fog CPP</b></p> 	<p>This is the combination of our Easy-Peel grade along with our anti-fog grade. This helps in providing good anti-fog properties along with good lidding while providing a constant Easy-opening force over a wide sealing temperature window.</p>	<ul style="list-style-type: none"> <li>-Fresh produce packaging (e.g., salads, cut fruits)</li> <li>-Ready-to-eat meal packaging</li> <li>-Convenience food packaging</li> </ul>

<b>12) Matte CPP</b> 	<p>When low gloss, superior scratch resistance, and outstanding contact clarity are needed, this material is widely used. It is utilized in matte film lamination applications for packing products with a matte surface. The matte finish provides an improvement in visibility and an elegant finish to the packaging applications. With the appearance of the matte, it doesn't give off a plastic texture. It feels really soft because of the silky texture.</p>	<ul style="list-style-type: none"> <li>-Bakery goods packaging</li> <li>-Snack food packaging</li> <li>-Specialty beverage packaging</li> </ul>
<b>13) Window Metallized CPP Film</b> 	<p>CPP films featuring a metallized layer with strategically placed clear windows, offering a combination of barrier properties and product visibility.</p> <p>In this variant of metallized CPP, only a selected portion of the film is metallized leaving the other area unmetallized. Our Company, with the best-in-class Metallizer from Buhler (Germany) are easily able to cater such market needs.</p> <p><b>Features:</b></p> <ul style="list-style-type: none"> <li>-Metallized layer for enhanced barrier against moisture, oxygen, and light</li> <li>-High gloss and metallic appearance for shelf appeal</li> </ul>	<p>In windowed pouches for good appeal of product packed such as nuts, berries, chocolates, etc.</p>
<b>14) Transparent/ Natural CPE</b> 	<p>Clear CPE films suitable for general-purpose packaging applications requiring transparency and flexibility.</p> <p><b>Features:</b></p> <ul style="list-style-type: none"> <li>-Excellent clarity for product visibility</li> <li>-High flexibility and stretchability</li> <li>-Resistance to moisture and chemicals</li> </ul>	<ul style="list-style-type: none"> <li>-Overwrap for fresh produce and bakery items</li> <li>-Packaging for textiles and garments</li> <li>-Protective covers for electronic devices</li> </ul>
<b>15) Metallized CPE</b> 	<p>Metallized CPE film can withstand temperatures ranging from -20°C to +80°C because of its exceptional cold resistance. Additionally, it has outstanding heat-sealing capabilities that allow it to directly composite with nylon, MOPE, poly and BOPP, PET films.</p> <p><b>Features:</b></p> <ul style="list-style-type: none"> <li>-Excellent moisture and oxygen barrier</li> <li>-Enhanced shelf life for packaged products</li> <li>-Metallic finish for visual appeal</li> </ul>	<p>It is extensively utilized in the flexible food packaging industry, as well as in the fields of labels and stickers, frozen and boiled food, puffed food, preserved fruit, and daily necessities.</p>
<b>16) Easy-Peelable CPE (Lidding Applications)</b> 	<p>Easy-peelable (CPE) film designed for convenient opening and resealing of packaging without compromising seal integrity.</p> <p><b>Features:</b></p> <ul style="list-style-type: none"> <li>-Easy-to-peel sealant layer</li> <li>-Excellent adhesion to various substrates</li> <li>-Tear-resistant and puncture-resistant</li> </ul>	<p>Food packaging (e.g., cheese, deli meats)</p>

### 17) Granules



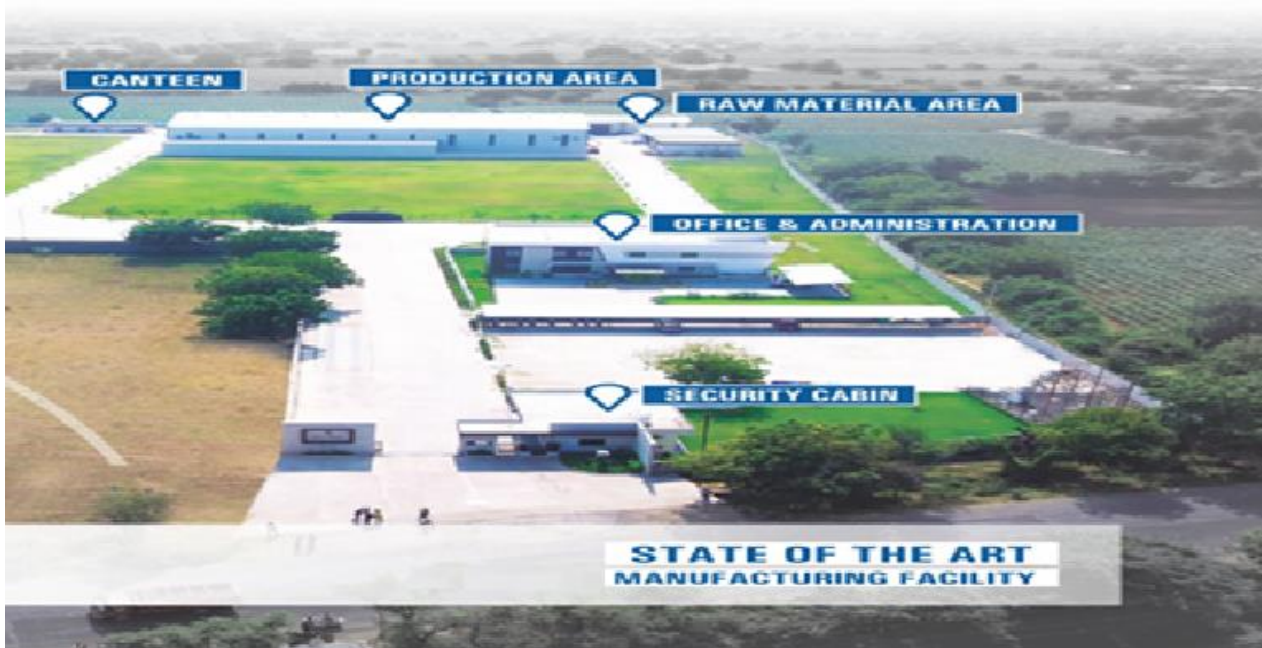
Features:  
Next to virgin grade quality of granules as our reprocessed granules are made from the best quality CPP films.

They are used for injection molding, thermoforming, sheet manufacturing, etc.

With our commitment to innovation and quality, we strive to deliver packaging solutions that enhance product protection, shelf appeal, and consumer satisfaction.

## OUR MANUFACTURING PROCESS

Few photos of our entire factory set up including machineries installed in the factory premises:



2500 mm CPP/CPE Film Manufacturing Line (Colines Italy)



2500mm CPP/CPE Film Manufacturing line with MDO (Colines Italy)





**2500 mm Metallizing Machine (Buhler Germany)**



**2500 mm Slitting Machine (J Kampf Germany)**



**2500 mm Slitting Machine (Nicely Taiwan)**

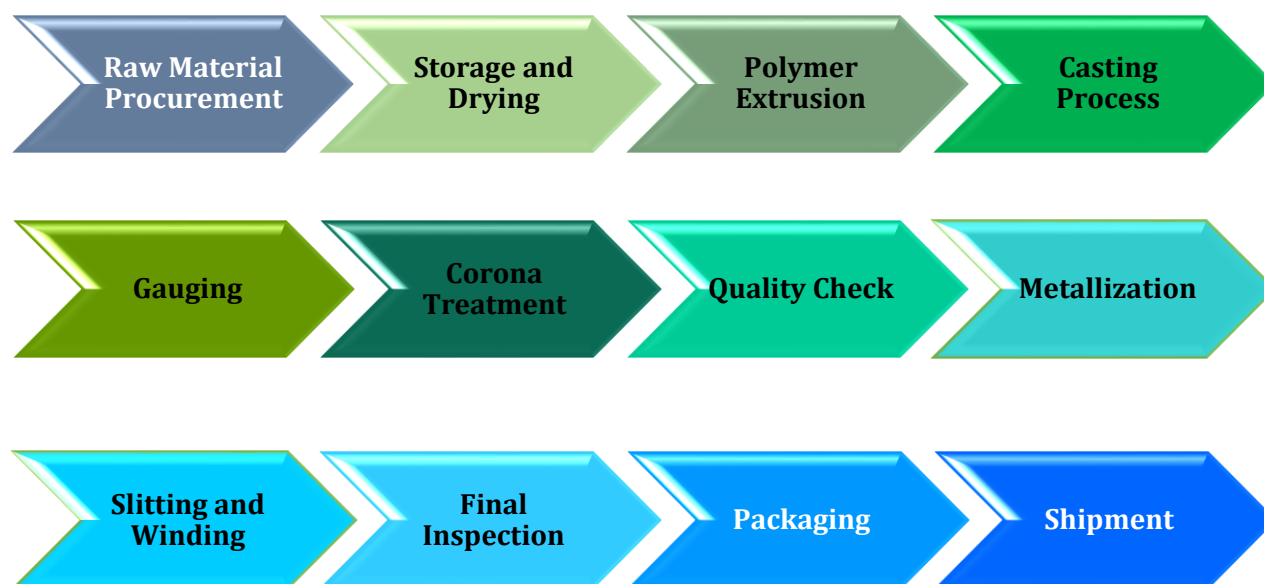


**Complete Quality Testing Laboratory**



**Reprocess Granules Machinery**

Set forth below is a description of the manufacturing processes at our manufacturing facility: -



### **1. RAW MATERIAL PROCUREMENT:**

The manufacturing process begins with the procurement of raw materials. A variety of raw materials are required in our manufacturing process such as: -

- For, CPP/CPE Films- mainly raw material in the form of granules.
- For, Metallization process- Pure Aluminium wire, vacuum boat, etc.
- For, Slitting process- Core, overwrapping films, etc.
- For, packing material- Corrugated cardboard sheets, Stretch film, core plugs, etc. for final packing.

We import as well as domestically source our raw materials from various suppliers.

For ensuring the compliance with the quality standards and regulations of the resultant product, it is important for us to undertake a quality check on the raw materials sourced. All the raw material coming in is checked thoroughly by our Quality Assurance Team. As any defect or poor quality in the raw material affects our quality. For example, our raw material granules are checked through MFI testing (melt flow index), the strength of our core so that it can sustain tonnes of weight of the film being manufactured, etc.

### **2. STORAGE AND DRYING:**

Once the raw material passes the quality inspection stage, the same is stored in our in-house RM Storage facility whereas Engineering parts and other spares are stored in our in-house engineering store.

Many a times, before beginning the production certain raw materials which are known to be hydrophilic (moisture absorbing) needs to be dried, and for that reason it is critical to preheat those raw material before extruding it. The same is done through our pre-heater in our manufacturing unit itself.

### **3. POLYMER EXTRUSION:**

Once the raw materials (polypropylene resin pellets) are gathered, they are filled in drums and different pipes that feed the material to the hopper are put in these drums. These pipes periodically feed the material to the hopper depending upon the extruder where the material is mixed before extrusion. Four different extruders melt the pellets at high temperatures (typically around 200-300°C) and homogenize the raw material with the help of a screw and barrel through a filter mesh before feeding it into the feed block which helps combine multiple layers of the film. Hence our film is known as a multi layered co-extruded film.

### **4. CASTING PROCESS:**

After the molten polymer flows through a horizontal slot die, the material is cast onto a cast roll which has cold water circulating through it. This helps the hot polymer melt to solidify onto the cast roll which through its rotation helps move the film forward continuously.

### **5. GAUGING:**

While this process begins, the machine automatically sets the thickness of the film through an automatic gauge controller. This gauge controller has thermally expansive bolts that expand and contract automatically through operator input in order to set the flow of the melt coming out of the die and onto the cast roll to give the desired thickness/gauge of the film.

## **6. CORONA TREATMENT:**

Surface treatment may be applied to the CPP film to enhance its printability or adhesion properties. Common surface treatments include corona treatment or flame treatment, which modify the surface energy of the film to improve ink adhesion during printing or lamination.

In our company with the help of rollers, the cast film is channelled ahead to pass through a corona treating unit in which a high voltage discharge is given on the surface of the film. This increases the surface tension of the film which is necessary for the printing and lamination process for our customers. After the corona treatment, the film is then wound onto a core in a roll form finish. This is the main output of the cast manufacturing line.

## **7. QUALITY CHECK:**

Once the film is out of the cast manufacturing line, the quality control team will check the technical parameters of the film and whether they align with the desired properties or not. This is done for each and every film produced within our premises after every stage, whether the film is obtained from the cast film line, the metallizer or the slitter. This helps us to constantly monitor our film to uphold our quality commitment. If for any reason, there is a roll which is not approved by the quality team, the roll is scrapped and sent to our in-house RPG unit responsible for recycling the film back into reprocessed granules which is then sold to customers as per their required quantity.

## **8. METALLIZATION:**

For metallized CPP films, a thin layer of metal (such as aluminium) is deposited onto one side of the film through a vacuum metallization process. This metallized layer provides enhanced barrier properties against moisture, oxygen, and light while imparting a metallic appearance to the film. The metallizing process is done as per the customer requirement of Optical density, metal bond value, etc.

## **9. SLITTING AND WINDING:**

After the CPP film has been produced and treated as necessary, it is slit into the width and outer diameter of the final roll dimensions as requested by the customer using our precision slitting machineries. The slit rolls of CPP film are then wound onto individual cores to form finished rolls ready for shipment to customers.

## **10. FINAL INSPECTION:**

Throughout the manufacturing process, stringent quality control measures are implemented to ensure that the CPP films meet the required specifications and standards, still post the slitting process, the film is once again inspected for important properties such as the corona treatment level, Coefficient of friction, etc. before finally sending the material for packing. If for any reason once again, there is a roll which is not approved by the quality team, the roll is scrapped and sent to our in-house RPG unit responsible for recycling the film back into reprocessed granules. Quality checks include measurements of film thickness, tensile strength, optical properties (such as clarity and haze), surface roughness, and barrier properties.

## **11. PACKAGING AND SHIPMENT:**

Once our Quality Control “QC” team gives the green light for the final roll, our packing team labels the roll with all its properties such as weight, width, etc. and packs the material for dispatch. The finished rolls of CPP film are packaged according to customer requirements and prepared for shipment. Export jobs require palette packaging while domestic orders generally require normal packaging. A normal roll is covered with an overwrap film over which a corrugated cardboard sheet is used and finally covering it with a stretch film wrap. Core plugs are inserted in both hollow sides of the core to ensure additional safety for the final roll which is now ready for dispatch.

## **OUR COMPETITIVE STRENGTHS**

### **1. Advanced Manufacturing Facility:**

Our company boasts of its fully automated manufacturing facility equipped with 100% imported machineries from Italy and Germany, ensuring high precision and efficiency in the production of CPP and CPE films. These automated machines are designed to minimize wastage and optimize production efficiency, outperform their counterparts from other manufacturers. With a focus on durability, reliability, and efficiency, these machines enable us to deliver quality products while minimizing operational costs. The advanced technology and automation in our manufacturing process enable us to maintain consistent quality standards and meet the diverse requirements of our customers. These advanced machines incorporate the latest innovations in film extrusion, coating, and finishing processes, allowing us to produce films of the high quality with precision and efficiency which caters, diverse packaging applications and industry requirements.

### **2. Experienced management team and dedicated workforce:**

Under the stewardship of an accomplished management team and a dedicated workforce, our company thrives. Spearheading our operations is Mr. Ashokbhai Babariya, our Managing Director, whose decade-long expertise and strategic acumen have propelled us to new heights. He orchestrates our day-to-day affairs and guides our strategic decisions with precision. Beyond our leadership, our company boasts a formidable team of individuals with relevant experience in the packaging industry and their expertise has been pivotal in driving our manufacturing processes forward.



### **3. *Own Manufacturing unit and self-reliant manufacturing process:***

Our company as having own manufacturing unit allows us to have full control over every stage of manufacturing, from raw material procurement to final product delivery. Owning our manufacturing unit enhances our supply chain resilience by reducing reliance on external suppliers and mitigating risks associated with supply chain disruptions. We have greater control over production schedules, inventory management and logistics that enables us to optimize costs and improve cost competitiveness in the market. The location of our unit is connected to major cities of Gujarat by highway and airports which enhances our capability of supplying our products in time and on a cost-effective basis to our clients.

### **4. *Wide product range and customized product offering***

With our imported manufacturing facility, we have the capability to produce various types of CPP and CPE films, catering to a wide range of applications in the packaging industry. Our diverse product portfolio includes clear films, metallized films, specialty films, and high-performance films, offering customers flexibility and choice to meet their specific packaging needs. By offering a diverse array of films, we provide customers with the flexibility to choose products that best suit their specific packaging needs. Our experienced team works closely with customers to understand their exact specifications and requirements. Leveraging our expertise and advanced manufacturing capabilities, we develop tailored solutions that address their specific packaging challenges and objectives. Whether it's adapting to new packaging formats, incorporating innovative technologies, or complying with evolving sustainability standards, our flexibility and customization capabilities enable us to stay ahead of the curve and meet the dynamic needs of the market. Through our multi-market presence, we have enhanced our recognition on a global scale, solidifying our position as a trusted provider of high-quality CPP and CPE films. Our global presence enables us to capitalize on cross-border synergies, marketing opportunities, further strengthening our competitive position in the industry. By offering a diverse array of films, we provide customers with the flexibility to choose products that best suit their specific packaging needs tailored solutions that address their specific packaging challenges and objectives. Further, our company has decided to utilise a part of net proceeds to make forward integration of manufacturing facilities by installing printing and lamination machines at existing plant which enhances capacity of our company to print, laminate and pouch the CPP and CPE films (Currently manufactured by the company) as per the requirements of the customers.

### **5. *Multi-market Company***

Leveraging our domestic presence, we have built enduring relationships with customers, suppliers, and regulatory bodies, fostering trust and loyalty within the market. Beyond our domestic borders, we have successfully expanded into international markets, capitalizing on emerging opportunities and leveraging our expertise in the CPP and CPE films industry. Our multi-market presence has enabled us to serve a diverse customer base spanning various industries and geographies. Operating in multiple markets provides us with inherent risk diversification, reducing our exposure to localized market fluctuations, regulatory changes, and economic uncertainties. By spreading our operations across different regions, we can better withstand market volatilities and external shocks, ensuring business continuity and long-term sustainability. Our multi-market presence allows us to optimize our supply chain by strategically sourcing raw materials, leveraging economies of scale, and streamlining logistics operations.

### **6. *Quality Assurance and Quality Control of our products***

We recognize that quality assurance and quality control are paramount to our success as a manufacturer and supplier of Cast Polypropylene (CPP) and Cast Polyethylene (CPE) films and therefore have implemented a robust Quality Management System (QMS) that encompasses all aspects of our operations, from raw material sourcing to product delivery. We conduct in-process quality control checks at various stages of production to monitor and maintain product quality. Our manufacturing facility is equipped with Quality Division with experienced and skilled technicians who perform visual inspections, measurements, and tests to identify any deviations from quality standards at all the stages of our manufacturing process. We have in-house laboratories and necessary infrastructure to test our raw materials and finished products to match the quality standards as specified by the relevant customers. Our Quality Division and in-house laboratories are well-equipped for ensuring the quality and compliance with international standards.

Owing to the consistent efforts of our Quality Division, we have received a certificate of registration from Alcumus ISOQAR certifying that the management system applied by our Company in Unit has been approved by Alcumus ISOQAR and is compliant with the requirement of ISO 9001:2015. We have also received a certificate of registration from Alcumus ISOQAR certifying that the food safety management system applied by our Company in our Unit has been approved by Alcumus ISOQAR and is compliant with the requirement of ISO 22000:2018. Alcumus ISOQAR has issued a certificate that our Company is certified as meeting the requirements of Global standards for Packaging Materials which means our company is also BRCGS certified.

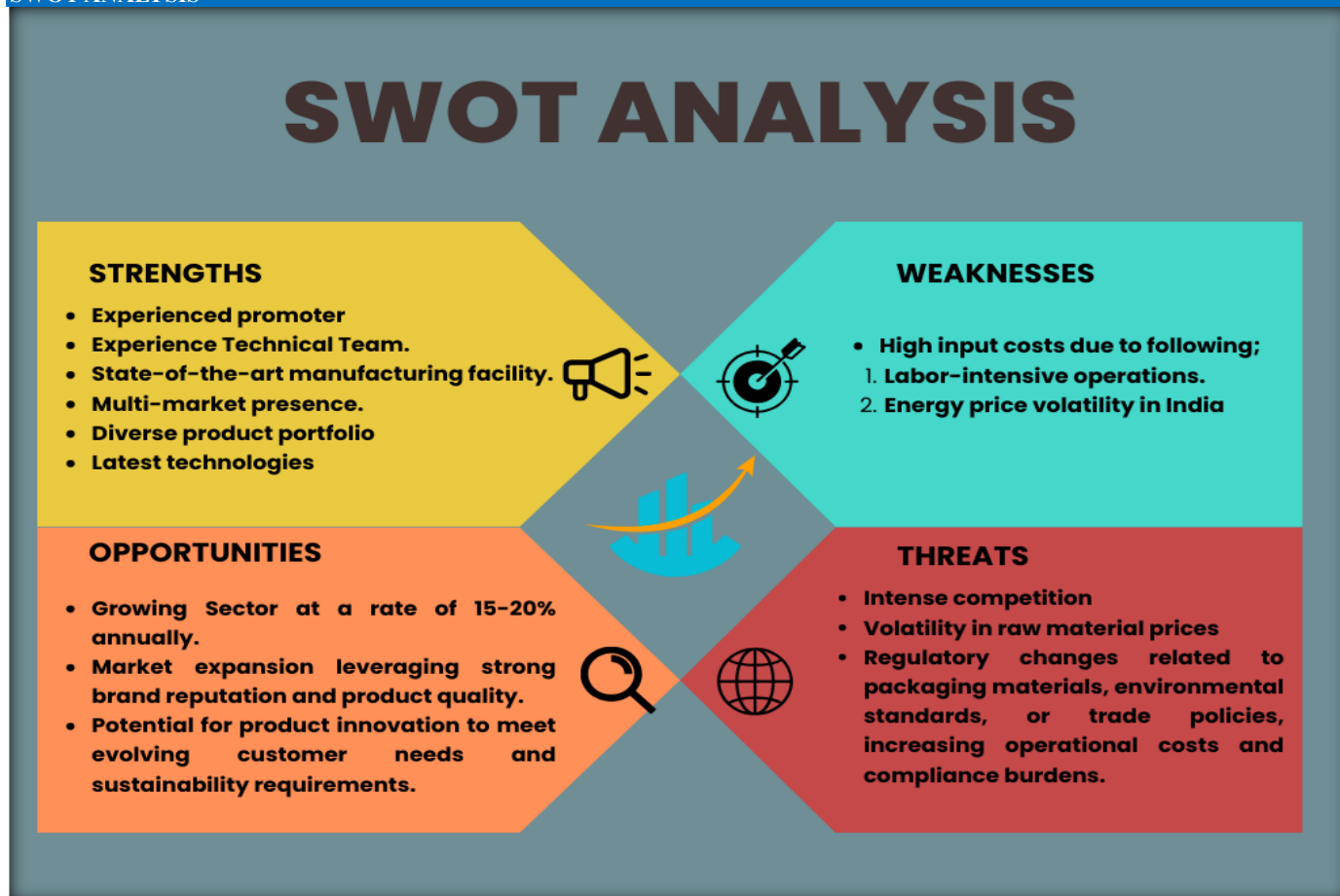
### **7. *Research and Development (R&D)***

We have in-house laboratories, in our manufacturing unit. We always on the look and continuously explores new materials, processes, and technologies to innovate and develop new products under our banner. Our continued focus on R&D helps us maintain and increase our market share by developing new products and exploring new applications to cater to the evolving needs of our customers and also build and increase efficiencies in our current manufacturing processes, thus helping us produce high quality products consistently. We also collaborate with customers to understand their unique challenges, their demands or requirements and develop tailored solutions that address their packaging objectives, ensuring maximum satisfaction and value. We believe this also enables us to maintain cost advantage over our competitors

## 8. Industry Knowledge and Expertise

A deep understanding of the plastic packaging industry, including market trends, consumer preferences, and regulatory landscape, provides a competitive advantage. Staying informed about industry developments allows companies to adapt quickly, identify emerging opportunities, and make informed strategic decisions.

### SWOT ANALYSIS



### OUR BUSINESS STRATEGIES

Our strategy is to build upon our competitive strengths and business opportunities to become one of the leading packaging companies in the world. Our focus is to leverage our core strengths and expand our operations in existing and new markets. With our extensive bouquet of products, we wish to enter unexplored markets and establish ourselves as leading plastic packaging supplier. This will pave the way for us to acquire a larger share in the competitive market. Our goal is to continue providing good quality packaging products to our clients and drive business growth by leveraging our strengths and implementing our following strategies:

#### 1. Focusing on our Core Competence:

At our company, our expertise lies in the manufacturing of CPP and CPE films and its varieties. We continually strive to uphold and expand our core competency to meet the escalating market demands. Our Company adheres to mandatory stringent regulations and standards pertaining to food safety, product hygiene, and environmental sustainability fuels the adoption of packaging materials that meet compliance requisites. With our robust production capacity, operational scale, and adept workforce, we are strategically positioned to harness our strengths and effectively cater to the burgeoning market demand.

#### 2. Continue to provide one stop solution

Increase domestic market share by focusing our business on flexible packaging films, developing our business into a “one-stop-shop” for customers, developing new products and applications and enhancing our capacity ahead of our competitors to meet future expected increases in demand for flexible packaging films.

#### 3. Expand our existing product portfolio

Our company boasts a diverse product portfolio and remains committed to integrating new offerings that meet market demands and trends. We prioritize the introduction of essential or trending products while also strategically incorporating items not manufactured by our competitors. With a strategic vision aimed at staying ahead of the curve, we continuously explore new products or products that are not readily available in the existing market. This approach grants us a competitive edge both domestically and internationally.

#### 4. Escalating our Global presence

Over a decade since our establishment in 2014, we have progressively expanded our global footprint by cultivating relationships with customers across new export markets. This trajectory of growth is set to persist as we remain committed to broadening our international reach. Our reputation for excellence in quality and service delivery, thereby solidifying our credibility in the industry, serves as a cornerstone for our further expansion, instilling confidence in existing and prospective clients alike. Furthermore, our widespread customer base spans the globe, enhances our resilience to market fluctuations and geopolitical uncertainties, safeguarding our business against potential risks. By maintaining a robust presence across multiple countries and regions, we fortify our market position and capitalize on diverse opportunities for growth.

#### 5. Improve operating efficiencies through continuous technological advancements

We are steadfast in our commitment to advancing operating efficiencies through continuous technological enhancements. By continually refining our technology systems, we aim to boost asset productivity, streamline operations, and fortify our competitive standing. We recognize the pivotal role of our in-house technology capabilities in efficiently managing and expanding our operations while upholding stringent operational and fiscal controls and enhancing customer service levels.

Our demand-driven investment in in-house technology capabilities underscores our dedication to developing tailored systems and processes to ensure effective management control. These customized solutions are integral to sustaining our operational excellence and supporting our strategic objectives.

Furthermore, we remain resolute in our efforts to bolster operational and fiscal controls. Through meticulous oversight and implementation of best practices, we aim to mitigate risks and optimize resource utilization. By fostering a culture of accountability and efficiency, we endeavour to uphold the highest standards of operational integrity and fiscal responsibility.

### SALES & MARKETING STRATEGY

Continuous engagement with customers is key. Our dedicated sales and marketing team maintains regular communication with clients, providing ongoing support and addressing any concerns promptly. This proactive approach fosters strong relationships and reinforces our commitment to customer satisfaction. Regular customer interactions help us retain and cater to their evolving needs. Given the demand for our products, streamlined procurement, and year-round supply, we are poised for continued growth in the near future. We gather leads from existing customer referral and industry associations/federations and so on.

Expanding into new markets is another crucial aspect of our strategy. We capitalize on our global customer base and reputation to identify and develop relationships with potential clients in untapped regions. Our experienced team continuously evaluates market trends and customer feedback to drive product development initiatives. By staying ahead of the curve, we ensure that our offerings remain relevant and competitive in the market.

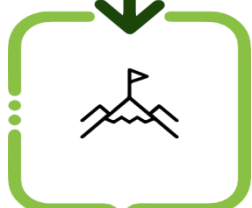
Our sales and marketing division, overseen directly by our Managing Director, is comprised of qualified professionals dedicated to nurturing client relationships and driving business growth. They actively engage with both domestic and multinational corporations through various channels, including participation in exhibitions and personal meetings. Furthermore, our Managing Director spearheads efforts to acquire new customers in export markets by personally reaching out and providing customized product samples. This hands-on approach demonstrates our commitment to meeting the specific needs of international clients and solidifies our reputation as a reliable partner.

### OUR VISION & MISSION



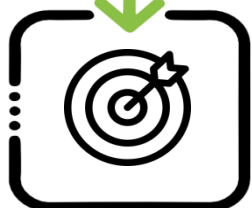
#### VISION:

We are committed to inspiring and empowering our team to reach new heights of achievement, guided by a profound sense of purpose in all aspects of our business. By envisioning a world where our contributions make a meaningful impact, we strive to set new standards of excellence and create lasting value for our stakeholders.



#### MISSION:

Our mission is to lead the industry by providing innovative packaging solutions that exceed customer expectations. With a commitment to excellence, sustainability, and continuous innovation, we aspire to become the most prestigious corporate, empowering businesses worldwide with cutting-edge packaging solutions that enhance product appeal, protection, and sustainability.”



#### GOAL:

Our company’s goal is to establish itself as the foremost provider of innovative packaging solutions including products globally.

## REVENUE BIFURCATION AND KEY PERFORMANCE INDICATORS

### Product Wise Bifurcation\*

(INR In Lakhs)

Particulars	For the Financial year ended			
	For period ended on July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Metalised CPP/CPE	868.89	2755.11	4521.62	4205.27
Natural CPP/CPE	435.18	1722.53	1820.16	1606.78
White Opec CPP	22.92	164.17	366.44	192.41
Adhesive Laminate Films	-	2259.34	-	-
Granules	135.95	464.44	328.27	457.00
Others	150.46	209.30	143.41	276.36
<b>Total</b>	<b>1613.40</b>	<b>7574.89</b>	<b>7179.90</b>	<b>6737.79</b>

### Geography-wise Revenue Bifurcation\*

(INR In Lakhs)

Particulars	For the Financial year ended			
	For period ended on July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Domestic Sales	1103.48	5412.47	5582.28	5221.93
Export Sales	509.92	2162.41	1597.62	1515.86
<b>Total</b>	<b>1613.40</b>	<b>7574.89</b>	<b>7179.90</b>	<b>6737.79</b>

### Financial Key Performance Indicators\*

(INR In Lakhs)

Key Performance Indicator	For period ended on July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations (Rs. In Lakhs)	1613.40	7574.89	7179.90	6737.79
EBITDA (Rs. In Lakhs)	520.86	1499.01	990.63	797.31
EBIT (Rs. In Lakhs)	404.21	1187.31	663.92	478.18
EBITDA margin (%)	32.28	19.79	13.80	11.83
PAT (Rs. In Lakhs)	162.80	429.17	91.76	-34.46
Net Profit margin (%)	10.09	5.67	1.28	-0.51
Net worth (Rs. In Lakhs)	3254.88	3092.08	2662.91	2571.14
Return on capital employed (%)	3.13	8.64	5.30	3.82
Return on equity (%)	5.13	14.91	3.51	-1.33
Debt to equity ratio (times)	2.96	3.45	3.70	3.86
Fixed Asset Turnover Ratio (times)	4.74	1.03	1.12	1.23

\*As Certified by our Statutory Auditors M/s A O Mittal & Associates, Chartered Accountants vide their certificate September 13, 2024.

## ORDER BOOK:

Our company operates with a short manufacturing cycle, which allows us to efficiently produce and deliver products in a rapid timeframe. As a result, we do not have any order book. Instead, we focus on meeting customer demand swiftly and on an as-needed basis. This approach enables us to adapt quickly to market changes and customer requirements without the need for long-term order commitments.

## OUR MARKET PRESENCE

Year	Name of the Country
2017	Started Sale in Domestic Market-PAN India and exporting to Dubai
2018	Started exporting to Nepal
2019	Started exporting to Sri Lanka
2022	Started exporting (through UK based Company) to Togo and Abidjan
2023	Started exporting (through UK based Company) to Ghana
2024	Started sampling to Jordan and Scotland

## PLANT AND MACHINERIES

List of equipment/Machine used at Manufacturing Unit:

Sr.no	Name of Major Machinery	Sub-Classification	Count	Installed Capacity
1	5 Layer Coextrusion Polycast Line -I	Machinery	1	4500 MT/Annum
2	CPP POLYCAST LINE -2	Machinery	1	4500 MT/Annum
3	High Vacuum Web Coating System (Metalised Coating Machine)	Machinery	1	5400 MT/Annum
4	Slitting & Winding Machine	Machinery	1	6000 MT//Annum



5	Slitting Machine-II	Machinery	1	6000 MT/Annum
6	Trim Winder machine For Slitewr machine	Machinery	1	450 Kg/Hour
7	Trim Winder machine -R -TW-450	Machinery	1	450 Kg/ Hour
8	Opacity Tester	Laboratory Equipment	1	NA
9	Core Collapsing Strength Tester	Laboratory Equipment	1	400gm to 2 kg
10	Hot Air Oven	Laboratory Equipment	1	50 'c to 250'c
11	Hot Tack Tester	Laboratory Equipment	1	50gm to 2 kg
12	Lloyd Universal Testing Equipment	Laboratory Equipment	1	7 kg
13	RDM - HSE-3 HEAT SEALER	Laboratory Equipment	1	180 'c
14	RDM CF-800XS Testing Equipment	Laboratory Equipment	1	NA
15	RDM TBX-2000 Testing Equipment	Laboratory Equipment	1	NA
16	Dart Impact Tester-(Air Compressor)	Laboratory Equipment	1	50gm to 5kg
17	Met Flow Index Tester	Laboratory Equipment	1	NA
18	Blue star Chiller Machine-R134A	Machinery	1	170 TR
19	Chiller Machine	Machinery	1	NA
20	Water Cooler (Chiller Machine)	Machinery	1	170 TR
21	Bailing Machine	Plant and Machinery	1	NA
22	Material Handling Trolley	Plant and Machinery	1	3000Kg
23	Reprocess granules Machine	Plant and Machinery	1	900 MT/Annum
24	Strapping Machine AQD 19	Plant and Machinery	1	9 mm to 19mm
25	Temperature Bath	Plant and Machinery	1	0 to 400 degrees
26	Air Compressors	Other Plant and Machinery	1	88 CFM
27	Air Compressors	Other Plant and Machinery	1	88 CFM
28	Air Compressors-Storage tank	Other Plant and Machinery	1	100 CFM
29	Air Compressors- Storage tank	Other Plant and Machinery	1	100 CFM
30	Air Compressors-Accessories	Other Plant and Machinery	1	NA
31	Air Compressors- Accessories	Other Plant and Machinery	1	NA
32	Air Compressors- Accessories	Other Plant and Machinery	1	NA
33	Air Compressors- Accessories	Other Plant and Machinery	1	NA
34	Air Compressors- Accessories	Other Plant and Machinery	1	NA
35	Air Compressors- Accessories	Other Plant and Machinery	1	NA
36	Air Cooler System -Plant	Other Plant and Machinery	1	17000 CFM
37	Air Washer	Other Plant and Machinery	1	32500 CFM
38	DC Pulse Generator	Other Plant and Machinery	1	0 to 800 DC Volt
39	CHILL NIP Roller-Accessory CPP machine	Other Plant and Machinery	1	NA
40	Core Cutting Machine	Other Plant and Machinery	1	2.5 Meter
41	Transformer (1600 KVA)	Other Plant and Machinery	1	1600 KVA
42	Transformer (2000 KVA)	Other Plant and Machinery	1	2000 KVA
43	CORONA Machine Part - Treatment Roller - Accessory CPP machine	Other Plant and Machinery	1	3 meter

*\*As Certified by Mr. S K Patel, Chartered Engineer; by their certificate dated November 07, 2024.*

## OUR MANUFACTURING FACILITY, CAPACITY AND CAPACITY UTILIZATION

### **Installed Capacity and Capacity Utilization\***

The following tables set forth the annual installed capacity of the Manufacturing Facility located at Block no:-1241, 1242, 1243, 1244, Padra-Jambusar Highway, Post. Masar, Taluka:-Padra, Dist. Vadodara, Gujarat, India-391421 for the past three Fiscals:

Particulars	Period from April to July-24**	FY24	FY23	FY22
<b>CPP /CPE Films</b>				
<b>Installed Capacity</b>				
CPP/CPE Films- (KG)	30,00,000	90,00,000*	45,00,000	45,00,000
<b>Capacity Utilized CPP/CPE Films (KG)</b>	<b>8,92,134</b>	<b>32,66,736</b>	<b>38,65,013</b>	<b>35,25,976</b>
<b>Capacity Utilized (CPP/CPE Films) %</b>	<b>29.74%</b>	<b>36.30%</b>	<b>85.89%</b>	<b>78.36%</b>
<b>Granules</b>				
<b>Installed Capacity</b>				
<b>Granules (KG)</b>	<b>3,00,000</b>	<b>9,00,000</b>	<b>9,00,000</b>	<b>9,00,000</b>
<b>Capacity Utilized (KG)</b>	<b>1,57,940</b>	<b>5,44,645</b>	<b>4,46,250</b>	<b>5,93,225</b>
<b>Capacity Utilized Granules %</b>	<b>52.65%</b>	<b>60.52%</b>	<b>49.58%</b>	<b>65.91%</b>

\*New Line installed in F.Y. 2020-21 however there was defect in the machines installed which got resolved in Third Quarter of F.Y. 2023-24.

\*\*Not Annualised

Note: Capacity Utilization Chart is based on average 300 Days working in a year.

\*As Certified by Mr. S K Patel, Chartered Engineer, by their certificate dated November 07, 2024.

## UTILITIES & INFRASTRUCTURE FACILITIES

### Infrastructure Facilities: -

Our registered office and Corporate Office/Factory unit are well-equipped for our business operations to function smoothly.

### Power: -

We have made the necessary arrangements for regular uninterrupted power supply at our manufacturing unit. We have availed a power connection from Madhya Gujarat Vij Company Ltd. for our manufacturing unit premises with a sanctioned load of 2200 KVA, which is sufficient to meet our plant requirement.

### Water: -

Water is mainly required for the production process, fire safety, drinking, and sanitation purposes. Our Company consumes water from our own borewell for our manufacturing unit.

## LOGISTICS

### Logistics: -

<b>Raw Materials</b>	Raw materials are transported to our manufacturing facility either through our suppliers' proprietary vehicles or third-party transport agencies.
<b>Finished Products</b>	To deliver our finished products to customers, we utilize dedicated transport vehicles or third-party transport agencies for product delivery.

### Procurement of Raw Materials: -

Business Segment	Description
<b>CPP/CPE Films</b>	For this business segment we require various types of granules, pure aluminium wire, vacuum boat, overwrapping films and for packaging of finished products we require corrugated cardboard sheets, Stretch film, core plugs, etc.

\* Note: We usually do not enter into long-term supply contracts with any of our raw material suppliers. The raw material is purchased in the spot market on the basis of the rates offered by various suppliers.

### Inventory Management: -

Adequate inventory management is critical to the success of our business. Our inventory management processes include product allocation for all our sales channels and store planning based on an assessment of sales potential and requirements. We have strict inventory management and monitoring practices in place that allows us to calculate our inventory and to ensure efficiency. Further, to manage an appropriate level of inventory for each of our products, we also track our inventory on a monthly basis. We plan our inventory procurement by forecasting demand analysis based on our targeted sales. We also endeavor to ensure that product requirements and order fulfilment is carried out in a timely and efficient manner. Our company operates an in-house warehousing facility within our factory premises situated at Block no: 1241, 1242, 1243, 1244, Padra- Jambusar Highway, Post. Masar, Taluka: Padra, Dist. Vadodara, Gujarat, India-391421 and is dedicated to the storage of raw materials, finished products and scraps as well.





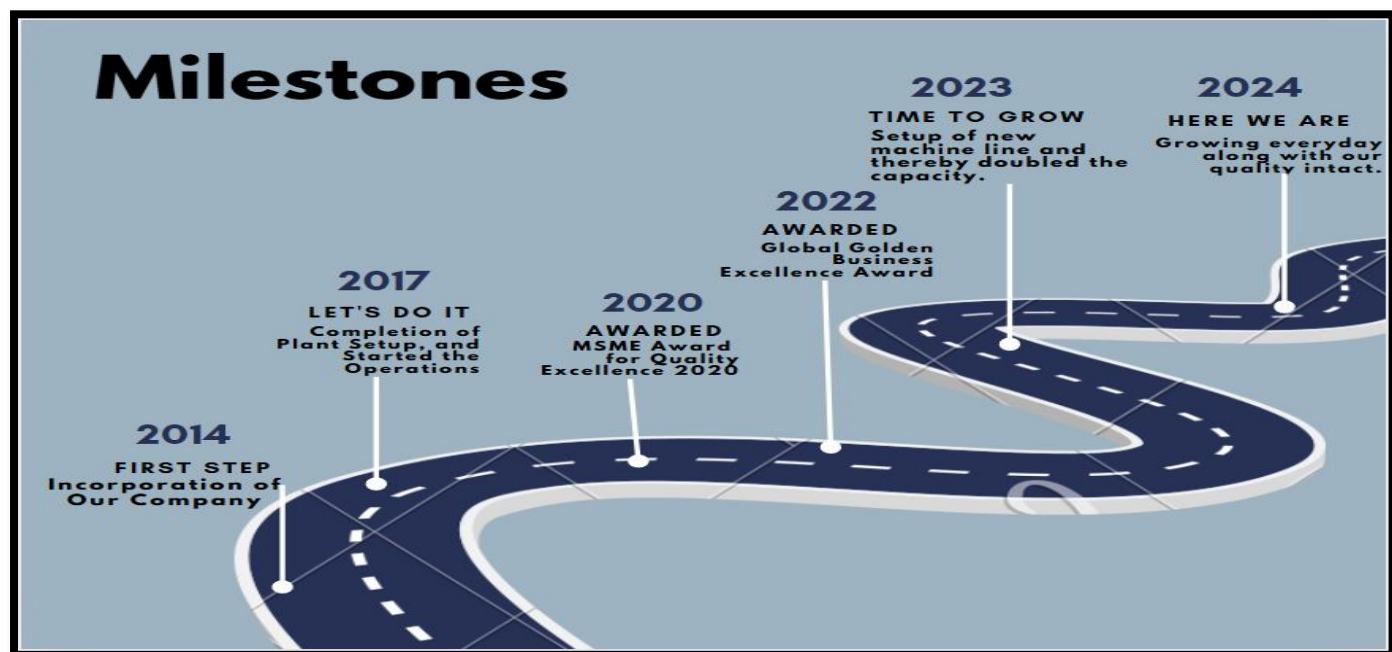
## COLLABORATIONS/ JOINT VENTURES

Except as disclosed in this Draft Prospectus, we do not have any Collaborations or Joint Ventures.

## COMPETITION

Our industry faces competition from organized as well as unorganized players in the domestic market as well as in the international market. We have a number of competitors who manufacture products, which are similar to us. Even with a diversified product portfolio, quality approach and modern technology, we may have to face competitive pressures. We believe the principal elements of competition in our industry are price, quality, timely delivery and reliability. With our experienced promoters and a robust technical team, our CPP & CPE films manufacturing company stands strong in the competitive market. Our commitment to innovation, cost-effective measures, and a diverse product portfolio has allowed us to thrive. Additionally, our state-of-the-art manufacturing facility and adherence to quality standards ensure reliable products for our global customer base. However, challenges such as high input costs, competition, raw material price volatility, and regulatory changes pose threats. Nonetheless, opportunities abound in the growing FMCG sector, market expansion, and product innovation. By staying agile and responsive to market dynamics, we can navigate these challenges and sustain our growth trajectory.

## MAJOR MILESTONES, AWARDS AND ACCREDITATIONS AND QUALITY CERTIFICATES



## AWARDS AND ACCREDITATIONS

Sr. No.	Awards	Year
01	India 5000 Best MSME Awards for Quality Excellence (2020 Winner)	2020
02	Global Golden Business Excellence Award	2022

1)



2)



## EXPORT AND EXPORT OBLIGATION

Our Company does not have any export obligation as on date of filing of this Draft Prospectus except for specified below:

(FOB value in USD)

Sr.NO.	PARTICULARS*	EPCG LICENSE NO	FOB VALUE TO BE DONE	FOB VALUE TO BE DONE	BALANCE FOB Value
1	<b>EPCG AUTHRISATION DT. 29.09.2016</b>	3430002941	37,26,495.34	37,26,495.34	-
	Expiry On 29-09-2023				
2	<b>EPCG AUTHRISATION DT. 29.09.2016</b>	3430002942	46,99,291.92	46,99,291.92	-
	Expiry On 29-09-2024				
3	<b>EPCG AUTHRISATION DT. 29.04.2019</b>	3430003371	74,18,529.66	26,164.75	73,92,364.91
	Expiry On 29-04-2025				
4	<b>EPCG AUTHRISATION DT. 29.04.2019</b>	3430003372	8,63,296.68	42,401.93	8,20,894.65
	Expiry On 29-04-2025				

\*As Certified by our Statutory Auditors M/s A O Mittal & Associates, Chartered Accountants vide their certificate dated September 13, 2024.

## MAJOR SUPPLIER & CUSTOMERS

We majorly procure our raw materials from different suppliers and sale our products to different customers. The following is the breakup of top five and top ten suppliers and customers of our Company for the period ended on four months ended on July 31, 2024, based on Restated Standalone Financial Statements are as below:

(Rs. in Lakhs)

Particulars*	Customers		Suppliers	
	Amount	Percentage	Amount	Percentage
<b>Top 5</b>	959.87	59.49%	772.63	79.28%
<b>Top 10</b>	1229.80	76.22%	911.74	93.55%

\*As Certified by our Statutory Auditors M/s A O Mittal & Associates, Chartered Accountants vide their certificate dated September 13, 2024.

## HUMAN RESOURCE

We believe that our employees are key contributors to the success of our Company. We focus on attracting and retaining the best possible talent. Our company looks for specific skill-sets, interests and background that would be an asset for our business.

As on July 31, 2024, we had 64 (sixty-four) permanent employees including our executive directors, employees who look after our business operations, Accounts & Finance, Compliance, Maintenance, Marketing & Logistics, Production & Operations, Quality and Assurance of the Products. We seek to maintain a culture of innovation by empowering our employees at all levels of our organization. Our success depends upon our ability to attract, develop, motivate and retain highly-skilled and multi-dimensional team members. Our people management strategy is based on four key components: recruiting, training and development, compensation and retention. In addition, we hire labourers on a daily wage basis as and when required.

Following is a department wise employee break-up as on July 31, 2024-

Sr. No.	Division/Department	Number of employees
1.	Management Promoters & Executive Directors	02
2.	Accounts & Finance Department	05
3.	Purchase Department	01
4.	Operations	40
5.	Sales & Marketing	02
6.	Store & Dispatch Department	07
7.	Quality and Assurance	05
8.	Human Resources & Admin Department	02
<b>Total</b>		<b>64</b>

## IMMOVEABLE PROPERTIES

We carry out our business operations from the following Properties:

### a) Owned Properties:

Sr. No	Address of Property	Acquisition Date	Seller	Area	Usage
1.	Block No. 1241 (Southern Side of Highway), Vadodara-Jambusar Road, Village- Masar, Taluka- Padra, Dist. Vadodara, 391421, Gujarat	21/10/2014	Bechharbhai P. Rabari	0-51-13 H.A.	Manufacturing Unit
2.	Block No. 1242 (Southern Side of Highway), Vadodara-Jambusar Road, Village- Masar, Taluka- Padra, Dist. Vadodara, 391421, Gujarat	21/10/2014	Hemlataben M. Patel and Others	1-05-84 H.A.	Manufacturing Unit
3.	Block No. 1243 (Southern Side of Highway), Vadodara-Jambusar Road, Village- Masar, Taluka- Padra, Dist. Vadodara, 391421, Gujarat	21/10/2014	Bechharbhai P. Rabari	0-47-57 H.A.	Manufacturing Unit
4.	Block No. 1244 (Southern Side of Highway), Vadodara-Jambusar Road, Village- Masar, Taluka- Padra, Dist. Vadodara, 391421, Gujarat	21/10/2014	Hemlataben M. Patel and Others	1-36-25 H.A.	Manufacturing Unit
5.	Block No. 1245 (Southern Side of Highway), Vadodara-Jambusar Road, Village- Masar, Taluka- Padra, Dist. Vadodara, 391421, Gujarat	07/06/2016	Parmar Shantilal Ranchodbhai	0-47-83 H.A.	Admin Office
6.	Block No. 1246 (Southern Side of Highway), Vadodara-Jambusar Road, Village- Masar, Taluka- Padra, Dist. Vadodara, 391421, Gujarat	07/06/2016	Parmar Shantilal Ranchodbhai	0-47-57 H.A.	Lease

### b) Leasehold Property:

Sr. No	Name of Lessor	Name of Lessee	Address of Property	Area	Consideration Fee	Tenure/ Term	Usage
1.	Hans Exports	3B Films Limited	SF 220 Pancham Icon, Besides D-Mart, Vasna Road, Vadodara, Gujarat, 390007, India	80.16 Sq. Mtr.	10,000/- payable on monthly basis	11 months from July 10, 2024	Registered office

## INSURANCE

As a good business practice, we maintain insurance covering our stocks, machineries and assets at such levels that we believe to be appropriate. We maintain insurance cover against loss or damage by fire, earthquake, impact damage due to road, water or rail services, etc. by availing fire insurance policy, standard fire and special perils policy, and marine cargo policy. We have also insured our employees by availing group accident policy. In addition to above, we have insured the vehicles purchased by our Company for business purposes by availing commercial vehicle package policy, private car package policy, Motor Insurance - Goods Carrying Comprehensive Policy. For risks relating to the same, please refer to "Risk Factors - *"Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability"*


 in the chapter titled "Risk Factors" on page 28 of this Draft Prospectus.

Sr. No	Insurer Company	Description of Services	Policy No. & Type	Expiry Date	Insured Amount (In Rs.)
1.	National Insurance Company Limited	<b>Location Address:</b> RS No 1241 to 1244, Moje, Masar, Padra, Vadodara - District Others, Vadodara, Gujarat, 391421.  <b>Coverage:</b> Earthquake (Fire & Shock) SFSP Basic Cover STFI  <b>Bifurcation of Sum Insured:</b> Building including Plinth & foundation, Compound wall, Internal road, Security cabin - Rs. 8,00,00,000/- P & M and Accessories - Rs. 85,00,00,000/- Electrical & electronic Items And Furniture - Rs. 3,00,00,000/- Stock of Finished goods, Raw material, Semi finished goods and Goods pertaining to Insured's trade - Rs. 50,00,00,000/-	31170011241000089  Standard Fire & Special Perils	05/05/2025	1,46,00,00,000/-
2.	Bajaj Allianz General Insurance Company Limited	LDPE, LLPDE, & other plastic granuals, (All type of polymers) CPP, BOPP, PET Film (all type of Film), aluminium wires, all type of packing materials, Natural CPP Film, White Opaque CPP Film and other variant of	OG-25-2203-1018-00000002	10/04/2025	81,00,00,000/-

		<p>films, plastic scrape &amp; any other items related to insured manufacturing activity, trade or business.</p> <p>Coverage Type: All Risk + W/SRCC + Loading/Unloading</p> <p>In case of Purchases Returns/ Sales Returns: Coverage restricted to ICC/ITC (B) + W/SRCC + Non Delivery of the entire consignment</p> <p>Tail-End Transit-Road Risk (CIF/CIP or similar import): Where risk originating from any Indian port/ airport the coverage will be as per Inland Transit (Rail/Road) Clause-B including the risk of SRCC only. ITC A may be granted subject to a Pre dispatch survey being done by an IRDA approved surveyor at assureds cost</p> <p>In case of Containers: Coverage restricted to ITC (B) + SRCC Basis of valuation: Depreciated Market value Declaration to be provided on Monthly basis Premium shall be charged</p> <p>Capital Goods not covered.</p> <p>Cover Clause – by Rail Road, Air, Sea, Post, Courier and Registered Post Parcel Shipments subject to prescribed terms in the policy</p>	Marine Cargo Insurance Policy		
3.	Bajaj Allianz General Insurance Company Ltd.	<p>Total 35 member Covered</p> <p>Group Personal Accident Risk Class:I II Wider: Accidental Death + Permanent Total Disablement + Permanent Partial Disablement (Sum Insured maximum 60 times of monthly income or Rs. 8 Cr. Whichever is less) Comprehensive: Accidental Death + Permanent Total Disablement + Permanent Partial Disablement + Temporary Total Disablement. (Sum insured limited to 24 times of monthly salary or Rs. 5 lakhs whichever is less.) Temporary Total Disability # 1% of the Comprehensive Sum Insured or Rs 5,000/- per week, whichever is less covered upto 100 week.)</p>	OG-25-2201-9902-00000022 Group Personal Accident Policy	13/06/2025	90,55,000 /-
4.	ICICI Lombard General Insurance Company Limited	Registration No. GJ-06-AX-4337	<p>3003/327547456 /00/000</p> <p>Goods Carrying Vehicles Package Policy</p>	31/01/2025	2,71,427/- (IDV)
5.	Royal Sundaram General Insurance Co. Ltd.	Registration No. GJ-06-BV-1950	<p>VGC122688500 0100</p> <p>Motor Insurance - Goods Carrying Comprehensive Policy</p>	02/10/2025	21,31,650/- (IDV)
6.	Bajaj Allianz General Insurance Company Ltd.	Registration No. GJ-06-JM-3319	<p>OG-25-2203-1801-00012646</p> <p>Private Car Package Policy</p>	27/10/2025	2,20,000/- (IDV)

## INTELLECTUAL PROPERTY RIGHTS

As on date of this Draft Prospectus, our Company has only one Intellectual Property Right in the nature of trademark, the details of the same are given below:

Class	Status	Application No.	Applicable Law	Owner	Trademark
17	Applied for	6499209	Trademarks Act, 1999	3B Films Limited	

For risks relating to the same, please refer to “*Risk Factors*– “in the chapter titled “*Risk Factors*” on page 28 of this Draft Prospectus.

As on date of this Draft Prospectus, our Company has domain name, the details of the same are given below:

Registrant Name	Domain Name	Renewal Date	Status
3B Films Limited	3bfilms.com	24/09/2024	Registered

*(The remainder of this page is intentionally left blank)*

## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 103 of this Draft Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Statutory Approvals” on page 171 of this Draft Prospectus.*

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/ registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

### A. INDUSTRY RELATED LEGISLATION

#### ***Factories Act, 1948***

The Factories Act, 1948 ("The Factories Act") defines a ‘Factory’ to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, even while there may not be an electrically aided manufacturing process being carried on. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

#### ***Industrial Disputes Act, 1947, as amended (the “ID Act”)***

The ID Act provides for statutory mechanism of settlement of all industrial disputes, a term which primarily refers to a dispute or difference between employers and workmen concerning employment or the terms of employment or with the conditions of labour of any person. The Industrial Dispute (Central) Rules, 1957 inter-alia specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

#### ***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.

#### ***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 GoI.

### B. EMPLOYEE AND LABOUR RELATED LEGISLATIONS:

#### ***Employees State Insurance Act, 1948***

Employees State Insurance Act, 1948 (“ESI Act”) as amended, 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.

#### ***The Payment of Wages Act, 1936***

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than Rs. 24,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.



The other various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following:

- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972
- Maternity Benefit Act, 1961;
- Employees' Compensation Act, 1923; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

#### **Code on Wages, 2019**

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

#### **Code on Social Security, 2020**

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

#### **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 appropriate government.

#### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

### **C. TAX RELATED LAWS:**

#### **Income-tax Act, 1961**

Income-tax Act, 1961 ("IT Act") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

#### **Central Goods and Services Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 ("CGST Act") regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

#### **Integrated Goods and Services Tax Act, 2017**

Integrated Goods and Services Tax Act, 2017 ("IGST Act") is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides

for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

## **D. EXPORT IMPORT RELATED LAWS**

### **The Customs Act, 1962 and the Customs Tariff Act, 1975**

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

### **Foreign Trade (Development and Regulation) Act, 1992**

In India, the main legislation concerning foreign trade is Foreign Trade (Development and Regulation) Act, 1992 ("FTA"). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/ divisions/ units/factories.

## **E. ENVIRONMENTAL LAWS**

### **The Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exists among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

### **The Water (Prevention and Control of Pollution) Act, 1974**

The Water (Prevention and Control of Pollution) Act, 1974 ("the Water Act") prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board ("State PCB"). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### **The Air (Prevention and Control of Pollution) Act, 1981**

The Air (Prevention and Control of Pollution) Act, 1981 ("the Air Act") requires that any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the State PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent. The Air Act prescribes penalties for contravention in terms of fine, imprisonment or both.

### **Plastic Waste Management Rules, 2016**

The Plastic Waste Management Rules, 2016 ("the PWM Rules") apply to every waste generator, local body, Gram Panchayat, manufacturer, importers and producer. The PWM Rules require registration from State Pollution Control Board ("State PCB") for manufacturing carry bags or recycle plastic bags or multi-layered packaging prior to commencement of production.

## **F. REGULATIONS REGARDING FOREIGN INVESTMENT**

### **Foreign Exchange Management Act, 1999**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 ("FEMA"), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder. The Department for Promotion of Industry and Internal Trade ("DPIIT"), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment ("FDI Policy"), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

## **G. INTELLECTUAL PROPERTY LAWS**

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **H. OTHER APPLICABLE LAWS**

### **The Companies Act, 2013 & Companies Act, 1956**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Companies Act, 2013 received the assent of President of India on 29th August 2013. At present, almost all the provisions of this law have been made effective except few to which extend the Companies Act, 1956 is still applicable. The Ministry of Corporate Affairs has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act, 2013 / 1956 ("Companies Act") deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

### **The Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 ("T.P. Act"). 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. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

### **The Sale of Goods Act, 1930**

The Sale of Goods Act, 1930 provides for the setting up of contracts where the seller transfers or agrees to transfer the title (ownership) in the goods to the buyer for consideration. It is applicable all over India. Under the act, goods sold from owner to buyer must be sold

for a certain price and at a given period of time.

### **The Registration Act, 1908**

The Registration Act, 1908 ("Registration Act") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **The Indian Contract Act, 1872**

The Indian Contract Act, 1872 ("Contract Act") lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **The Specific Relief Act, 1963**

The Specific Relief Act, 1963 ("Specific Relief Act") is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### **Competition Act, 2002**

The Competition Act, 2002 ("Competition Act") aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("Competition Commission") which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### **The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")**

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

### **Consumer Protection Act, 2019**

The Consumer Protection Act, 2019 ("Consumer Act"), has repealed Consumer Protection Act, 1986 and provides for the protection of interest of the consumers and the settlement of disputes raised by the consumers. The provisions of the Consumer Protection Act, 2019 have been made effective *vide* notification no. F. No. J-9/1/2020-CPU dated July 23, 2020 and notification no. F. No. J-9/1/2020-CPU dated July 15, 2020 as issued by the Central Government. The Consumer Act sets out a mechanism for consumers to file complaints against, *inter alia*, service providers in cases of deficiencies in services, unfair or restrictive trade practices and excessive pricing. A three-tier consumer grievance redressal mechanism has been implemented pursuant to the Consumer Act, at the national, state and district levels. Further, the Consumer Act established a Central Consumer Protection Authority to promote, enforce and protect the rights of consumers. If the allegations specified in a complaint about the services provided are proved, the service provider can be directed to *inter alia* remove the deficiencies in the services in question, return to the complainant the charges paid by the complainant and pay compensation, including punitive damages, for any loss or injury suffered by the consumer. Non-compliance with the orders of the authorities may attract criminal penalties in the form of fines and/or imprisonment.

### **Municipality Laws**

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

## **Shops and Establishments Legislations**

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and 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.

## **Fire Prevention Laws**

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

## **Professional Tax**

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

## **Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011**

The Legal Metrology Act, 2009 (“**LM Act**”) 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 license under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the LM Act.

The Legal Metrology (Packaged Commodities) Rules, 2011 (“**Packaged Commodities Rules**”) were framed under Section 52(2) (j) and (q) of the LM Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A “pre –packaged commodity” means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules provide that it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the LM Act and no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual maximum retail price and bringing e-commerce within the ambit of these rules.

## **Other Laws**

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Rent Control Act, Information technology act and other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations.

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## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was originally incorporated as “3B Films Private Limited” a private limited company under the Companies Act, 2013 with the Registrar of Companies (“ROC”), Gujarat pursuant to Certificate of Incorporation dated September 03, 2014. Subsequently, our Company was converted into Public Limited Company and name of company was changed from “3B Films Private Limited” to “3B Films Limited” pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on March 14, 2024 and a fresh certificate of incorporation was issued by the Central Processing Centre, Manesar dated June 21, 2024. The CIN of the Company is U25200GJ2014PLC080685.

Mr. Ashokbhai Babariya, Mr. Nitinbhai Babariya and Mr. Mukeshbhai Babariya were the initial subscribers to the Memorandum of Association of our Company. For details regarding the description of our Company’s activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, 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 103, 133 and 158 respectively, of this Draft Prospectus. The Promoters of our Company are Mr. Ashokbhai Babariya, Mr. Mukeshbhai Babariya, Mr. Dishank Babariya and Mr. Gulabben Babariya are the Promoters of our Company.

For details regarding the description of our Company’s activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, 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 103, 133 and 158 respectively, of this Draft Prospectus.

As on the date of filing of this Draft Prospectus, the total numbers of equity shareholders are 18 (Eighteen). For more details on the shareholding of the members, please see the section titled “*Capital Structure*” at page no. 59 of this Draft Prospectus.

### **CHANGES IN REGISTERED OFFICE OF OUR COMPANY:**

<b>Registered Office</b>	SF 220 Pancham Icon Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007
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There have been no changes in the registered office of our Company as on the date of this Draft Prospectus.

### **MAIN OBJECTS OF OUR COMPANY**

The main objects of our Company is as follow:

To carry on the business as manufacturer, developer or trader, in India or abroad, all kinds of flexible or rigid films like CPP, BOPP, BOPET, Polythene, PVC in single layer or multilayer structure, Plain, White opaque, Pearalized or Metalized forms, for use in packaging industry, simultaneously it will carry out business as importer, exporter, representative, franchisers, job worker consultant, collaborator, wholesaler, retailer, distributor, dealer or commission agent for all kinds of plastics raw material either virgin or re-processed, as well as finished products that are not manufactured in-house .

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

There are no major events, milestones and achievements received by the company since its incorporation except as mentioned below.

<b>Year</b>	<b>Key Events/Milestones/Achievements</b>
<b>2014</b>	Our Company was incorporated as a private limited company under the name “3B Films Private Limited”
<b>2017</b>	Set up of Plant by installing imported Plant & Machinery from Italy & Germany to produce CPP films ranging from 15 to 250 microns and started production as well as exports to Nepal & Dubai
<b>2017</b>	ISO 9001:2015 issued by Alcumus ISOQAR
<b>2017</b>	ISO 22000:2018 issued by Alcumus ISOQAR
<b>2020</b>	India 5000 Best MSME Awards for Quality Excellence
<b>2022</b>	Global Golden Business Excellence Award
<b>2023</b>	Company doubled the capacity for manufacturing CPP/CPE Films with an installed capacity of 950 MT Per month
<b>2024</b>	Certificate of Registration for Global Standard for packaging materials
<b>2024</b>	Conversion of our company from Private Limited to Public Limited Company

### **AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION**

#### **NAME CLAUSE**

The Following changes have been made in Name Clause of our Company since its inception.

<b>Date of meeting</b>	<b>Type of Meeting</b>	<b>Nature of amendments</b>
June 21, 2024	EGM	Our Company was converted into Public Limited Company and name of company was changed from “3B Films Private Limited” to “3B Films Limited”



## **AUTHORIZED SHARE CAPITAL**

The following changes have been made in the Authorized Share Capital of our Company since inception:

Date of meeting	Type of Meeting	Nature of amendments
November 07, 2016	EGM	The Initial Authorized Share Capital of ₹ 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares 10/- each was increased to ₹ 12,50,00,000 (Rupees Twelve Crore Fifty Lakhs only) consisting of 1,25,00,000 Equity Shares of face value of ₹10/- each.
February 28, 2018	EGM	The Authorized Share Capital of ₹ 12,50,00,000 (Rupees Twelve Crore Fifty Lakhs only) consisting of 1,25,00,000 Equity Shares of face value of ₹ 10/- each was increased to ₹ 20,00,00,000 (Rupees Twenty Crores only) consisting of 2,00,00,000 Equity Shares of face value of ₹10/- each.
March 10, 2020	EGM	The Authorized Share Capital of ₹ 20,00,00,000 (Rupees Twenty Crores only) consisting of 2,00,00,000 Equity Shares of face value of ₹ 10/- each was increased to ₹ 23,00,00,000 (Rupees Twenty three Crores only) consisting of 2,30,00,000 Equity Shares of face value of ₹10/- each.
March 14, 2024	EGM	The Authorized Share Capital of ₹ 23,00,00,000 (Rupees Twenty three Crores only) consisting of 2,30,00,000 Equity Shares of face value of ₹ 10/- each was increased to ₹ 25,00,00,000 (Rupees Twenty Five Crores only) consisting of 2,50,00,000 Equity Shares of face value of ₹10/- each.

## **OBJECT CLAUSE**

There have been no changes in the Object Clause of our Company as on the date of this Draft Prospectus.

## **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 Draft 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**

As of date of this Draft Prospectus, there are material acquisition or disinvestments of business / undertakings, mergers, amalgamation in relation to our Company.

## **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 Draft Prospectus, our Company does not have a holding company.

## **SUBSIDIARIES OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company does not have a Subsidiary company.

## **ASSOCIATE OR JOINT VENTURES OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company does not have any joint ventures or associate companies.

## **STRATEGIC AND FINANCIAL PARTNERS**

As on date of this Draft 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 PROMOTERS 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 Promoters 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.

## **PROMOTERS OFFERING ITS SHARES IN THE OFFER FOR SALE**

This is a fresh offer of Equity Shares and our Promoters are not offering their shares in this offer except specified below:

NAME	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT IN ₹
Ashokbhai Dhanjibhai Babariya	Promoter	Up to 10,70,000 Equity Shares, aggregating up to ₹ [●] Lakhs.
Mukesh Dhanjibhai Babariya	Promoter	Up to 10,65,000 Equity Shares, aggregating up to ₹ [●] Lakhs.
Gulabben Nitin Babariya	Promoter	Up to 10,65,000 Equity Shares, aggregating up to ₹ [●] Lakhs.

#### **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the location of our Company as on the date of this Draft Prospectus.

#### **FRAUDULENT BORROWER**

Our Company or any of our promoter or directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

#### **GUARANTEES GIVEN BY PROMOTERS**

As on the date of this Draft Prospectus, no guarantee has been issued by our Promoters except as disclosed in the chapter titled "Financial Indebtedness" beginning on page 155 of this Draft Prospectus.

#### **INJUNCTIONS OR RESTRAINING ORDERS**

There are no injunctions/ restraining orders that have been passed against the Company.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company.

#### **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.

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## 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 3 and not more than 15. As on date of this Draft Prospectus, we have Six (06) Directors on our Board, which includes One (01) Chairman and Managing Director, One (01) Whole-time Director, One (01) Non-Executive Director and Three (03) Independent Directors out of which one is woman Independent Director.

Set forth below, are details regarding our Board as on the date of this Draft Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Ashokbhai Dhanjibhai Babariya</b> <b>DIN:</b> 03363509 <b>Date of Birth:</b> November 25, 1970 <b>Designation:</b> Chairman and Managing Director <b>Address:</b> 904, Milestone, Behind New Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara-391410, Gujarat. <b>Occupation:</b> Business <b>Term:</b> For a period of five (5) years with effect from February 22, 2024. <b>Period of Directorship:</b> Director since September 3, 2014 <b>Nationality:</b> Indian	53	1. Mars Engitech Private Limited 2. 3B Welfare Foundation
<b>Dishank Nitin Babariya</b> <b>DIN:</b> 10499582 <b>Date of Birth:</b> November 27, 2001 <b>Designation:</b> Whole-time Director <b>Address:</b> 904, Milestone, Behind New Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara-391410, Gujarat. <b>Occupation:</b> Business <b>Term:</b> For a period of five (5) years with effect from February 22, 2024. Liable to retire by rotation. <b>Period of Directorship:</b> Director Since February 22, 2024 <b>Nationality:</b> Indian	22	Nil
<b>Mukesh Dhanjibhai Babariya</b> <b>DIN:</b> 06904399 <b>Date of Birth:</b> March 26, 1975 <b>Designation:</b> Non-Executive Director <b>Address:</b> 25-26 Shantivan Society, Opp. J.B. Circle, L.H. Road, Varachha Road, Surat-395006, Gujarat. <b>Occupation:</b> Business <b>Term:</b> Liable to retire by rotation <b>Period of Directorship:</b> Director since September 3, 2014 <b>Nationality:</b> Indian	49	3B Welfare Foundation
<b>Abhishek Ileshkumar Shah</b> <b>DIN:</b> 10048431 <b>Date of Birth:</b> August 23, 1989 <b>Designation:</b> Independent Director <b>Address:</b> D-503, Shyamhills, Behind Savan Bunglows, Near GST Railway Fatak, New Ranip, Ahmedabad-382470, Gujarat <b>Occupation:</b> Business <b>Term:</b> For a period of five (5) years with effect from February 22, 2024 <b>Period of Directorship:</b> Director since February 22, 2024 <b>Nationality:</b> Indian	35	1. Actsoft Advisors Private Limited 2. Omega Plasto Limited
<b>Chintan Hemantkumar Joshi</b> <b>DIN:</b> 10513766 <b>Date of Birth:</b> July 17, 1987 <b>Designation:</b> Independent Director <b>Address:</b> B/21, Swapnalok Flats, Opp. Bank of Baroda, Karelibaug, Vadodara-390018, Gujarat <b>Occupation:</b> Professional <b>Term:</b> For a period of five (05) years with effect from February 22, 2024. <b>Period of Directorship:</b> Director since February 22, 2024 <b>Nationality:</b> Indian	37	Nil
<b>Drashti Laxmikant Solanki</b> <b>DIN:</b> 10136197 <b>Date of Birth:</b> January 18, 1994	30	1) Siddhi Cotspin Limited 2) Astron Multigrain Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Designation:</b> Independent Director <b>Address:</b> Plot No. 821/2, Sector-7/C, Gandhinagar-382007, Gujarat <b>Occupation:</b> Professional Term: For a period of five (05) years with effect from February 22, 2024. <b>Period of Directorship:</b> Director since February 22, 2024 <b>Nationality:</b> Indian		3) Virtuoso Optoelectronics Limited 4) Chavda Infra Limited 5) Apex Infralink Limited

#### Brief Biographies of our Directors

**Ashokbhai Dhanjibhai Babariya**, aged 53 years, is the Chairman, Managing Director and Promoter of our Company. Armed with a Bachelor of Engineering in Electronics from Bangalore University, his professional journey spans over three decades, marked by diverse entrepreneurial ventures.

With over a decade dedicated to manufacturing and supplying specialty CPP and CPE Films for packaging solutions, Ashokbhai brings invaluable expertise to our organization. Prior to this, he spent 12 years immersed in the intricacies of diamond manufacturing and trading as a Partner at Hans Export, followed by 7 years of active involvement as a Partner at Yesha Realty, contributing to various construction projects in Vadodara.

Additionally, Ashokbhai serves as a Director at Mars Engitech Private Limited, a company engaged in the manufacturing of rotary joints, further enriching his portfolio of business endeavors.

**Dishank Nitin Babariya**, aged 22 years, is the Whole-time Director and Promoter. Armed with a Bachelor's Degree in Polymer Engineering from MIT Pune, Maharashtra, he distinguishes himself as a gold medallist in the esteemed BTech Polymer Engineering batch of 2019-23.

Having officially joined our company on February 22, 2024, Dishank has diligently served in various capacities before joining as a Whole Time Director, gaining a comprehensive understanding of our operations at every level. This immersion paved the way for his seamless transition into his current role.

Dishank's commitment to professional development is evident in his membership with the Society of Plastic Engineers since April 2021. Presently, he plays a pivotal role in driving business development, spearheading marketing initiatives, and optimizing our operational processes. His dynamic presence adds a fresh perspective and youthful vigor to our team, ensuring our continued growth and success.

**Mukesh Dhanjibhai Babariya**, aged 49 years, is a Non-Executive Director and Promoter of our Company. Mukesh brings over 25 years of entrepreneurial expertise to the table. He completed his H.S.C. from Gujarat Higher Secondary Board, Gandhinagar. At present, he is overseas citizen of India and holding belgium passport (No. GC287959).

With a diversified background, Mukesh has amassed invaluable experience across various industries. He boasts over a decade of involvement in diamond trading and various packaging solutions, coupled with more than 13 years dedicated to the field of infrastructure development.

Since the inception of our company, Mukesh has been an integral part of our journey, serving as both a promoter and director. In the past, he had played a significant role as a Partner at Mahalaxmi Group, through his contribution in various construction projects in Surat, Gujarat.

**Abhishek Ileshkumar Shah**, aged 35 years, is an Independent Director of our Company. Armed with a Master of Business Administration in Finance from ITM Vocational University, Vadodara, and a Masters Degree in Commerce from The Maharaja Sayajirao University of Baroda, Vadodara, Abhishek brings a solid academic foundation to his position. He possesses more than Eight (08) years of experience of Accounts, Taxation, Management and Administration field.

In addition to his role with us, Abhishek is the Founder Director of M/s. Actsoft Advisors Private Limited, a position he has held since February 2023. He is also the proprietor of Accutech Accounting, a venture he established in January 2018, which specializes in providing accounts, taxation, and financial advisory services.

**Chintan Hemantkumar Joshi**, aged 37 years, is an Independent Director of our Company. He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI), having obtained his degree in 2012. He also holds the Bachelor's and Master's degrees in Commerce from The Maharaja Sayajirao University of Baroda, Gujarat. He is a Practicing Chartered Accountant since 2017 years and is engaged into the practices of Finance, Taxation and Law. He serves as the Designated Partner in the J C H & Associates LLP.

**Drashti Laxmikant Solanki**, aged 30 years, is an Independent Director of our Company. She is a qualified Associate Company Secretary from the Institute of Company Secretaries of India (ICSI), having obtained her certification in 2014. Drashti holds both Bachelor's and Master's degrees in Commerce from Gujarat University, along with a Bachelor's degree in Laws from the Gujarat University.

With over 7 years of experience in corporate laws, corporate governance, and secretarial compliances, Drashti brings a deep understanding of regulatory frameworks to our board. In addition to her directorial role with us, she is at present also Independent Director in other Six Companies including Listed Companies and also serves as the Whole-Time Company Secretary of Apisyn Healthcare Private Limited since June 2022.

#### As on the date of the Draft 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) up to the date of filing of this Draft Prospectus.

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

Name of Director	Designation	Relation
Mr. Ashokbhai Dhanjibhai Babariya	Chairman and Managing Director	He is the brother of Mr. Mukesh Dhanjibhai Babariya
		He is the uncle of Mr. Dishank Nitin Babariya
Mr. Mukesh Dhanjibhai Babariya	Non-Executive Director	He is the brother of Mr. Ashokbhai Dhanjibhai Babariya
		He is the uncle of Mr. Dishank Nitin Babariya
Mr. Dishank Nitin Babariya	Whole-Time Director	Nephew of Mr. Ashokbhai Dhanjibhai Babariya
		Nephew of Mr. Mukesh Dhanjibhai Babariya

#### Arrangements and Understanding with Major Shareholders, Customers, Suppliers and others

None of our Key Managerial Personnel or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which 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 Draft 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

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on July 1, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹500 Crores (Rupees Five Hundred Crores only).

#### Terms of appointment and remuneration of our Managing Director and Whole-time Director

##### Ashokbhai Dhanjibhai Babariya

Pursuant to a resolution passed by the Board of Directors at the meeting held on February 22, 2024 and approved by the Shareholders of our Company at the EGM held on February 22, 2024, Mr. Ashokbhai Dhanjibhai Babariya was appointed as the Chairman and Managing Director of our Company for a period of five (05) years with effect from February 22, 2024 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Up To Rs. 36,00,000/- per annum
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, Mr. Ashokbhai Dhanjibhai Babariya shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.

##### Dishank Nitin Babariya

Pursuant to a resolution passed by the Board of Directors at the meeting held on February 22, 2024 and approved by the Shareholders of our Company at the EGM held on February 22, 2024, Mr. Dishank Nitin Babariya was appointed as the Whole-time Director of our Company for a period of 5 years with effect from February 22, 2024 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Up To Rs. 18,00,000/- per annum
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, Mr. <b>Dishank Nitin Babariya</b> shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.

### Remuneration details of our Directors

#### i. Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 and Fiscal 2023 are as follows:

S. No.	Name of the Director	Remuneration (₹ in Lakhs)	
		Fiscal 2024	Fiscal 2023
1.	Ashokbhai Dhanjibhai Babariya	Nil	Nil
2.	Dishank Nitin Babariya	Nil	Nil

#### ii. Sitting fee details of our Non-Executive Directors

No sitting fees was paid to the Non-Executive Directors in Fiscal 2024. Further for Fiscal 2025 Our Board of Directors in their meeting held on February 22, 2024 have fixed upto ₹ 3000/- per meeting as sitting fee for each of Non-Executive Director for attending meeting of the Board of Directors and Committees of the Board.

### Payment or benefit to Directors of our Company

Except as disclosed in this Draft 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 date of this Draft 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 Draft Prospectus.

### Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Name of the Director	Pre- Offer		Post - Offer	
		Number of Equity Shares	% of Pre- Offer Equity Share Capital	Number of Equity Shares	% of Post- Offer Equity Share Capital
Promoters & Directors					
1.	Ashokbhai Dhanjibhai Babariya	53,58,848	25.25	[●]	[●]
2.	Dishank Nitin Babariya	12,41,370	5.85	[●]	[●]
3.	Mukesh Dhanjibhai Babariya	57,81,876	27.25	[●]	[●]
Total		1,23,82,094	58.35	[●]	[●]

### Shareholding of Directors in our Subsidiaries

As on date of this Draft Prospectus, our Company does not have a subsidiary.

### 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.

Ashokbhai Dhanjibhai Babariya, Mukesh Dhanjibhai Babariya, and Dishank Nitin Babariya are also 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 Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors 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 Offer. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page Nos. 153 and 143, respectively of this Draft Prospectus, our Directors are not interested in any other company, entity or firm.

Further, All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

Our Promoters, Promoter Group, Managing Director and Non-Executive Director, have extended personal guarantees in favour of certain banks with respect to the loan facilities availed by our Company from them. For further details, please refer to the chapter titled — “*Financial Indebtedness*” on page 155 of this Draft Prospectus.

Further, our Directors are interested in the properties of our Company, for details please see “*Our Business- Immovable Properties*” on page 103.

Except as stated in “*Restated Financial Information*” beginning on Page No. 153 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

### Interest as to property

Except as disclosed in this Draft Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

### Bonus or Profit-Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit-sharing plan.

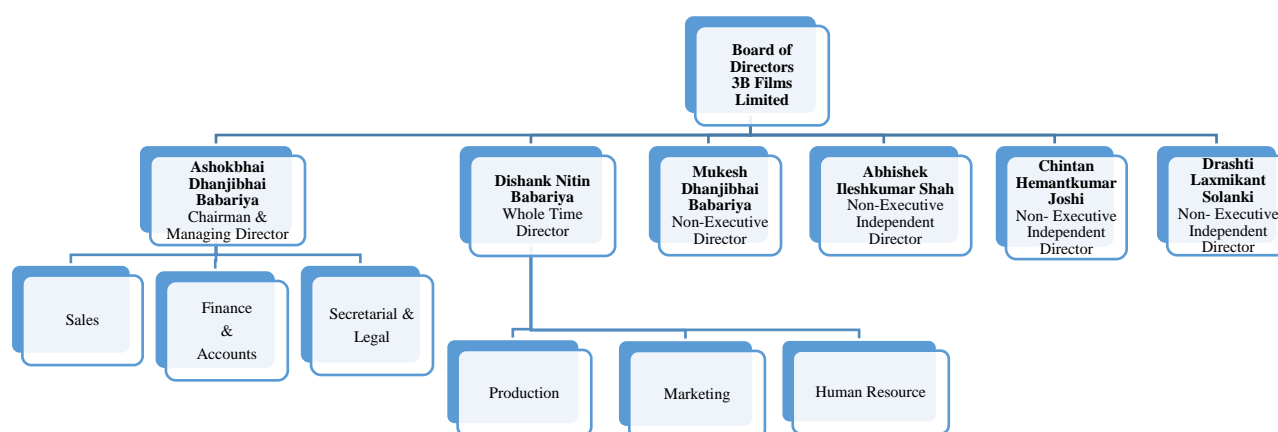
### Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment/Change in Designation	Date of Cessation	Reasons for Change/ Appointment
Ashokbhai Dhanjibhai Babariya	22/02/2024		Appointed as a Managing Director
Mukesh Dhanjibhai Babariya	22/02/2024	-	Change in Designation to Non-Executive Director
Dishank Nitin Babariya	22/02/2024	-	Appointed as Whole-Time Director
Abhishek Ileshkumar Shah	22/02/2024	-	Appointed as Independent Director
Drashti Laxmikant Solanki	22/02/2024	-	Appointed as Independent Director
Chintan Hemantkumar Joshi	22/02/2024	-	Appointed as Independent Director
Gulabben Nitin Babariya	-	22/02/2024	Resignation due to Personal reasons.

### 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 Draft Prospectus, the requirement specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) 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 additions to this, 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 Exchange. 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.

## Composition of Board of Directors

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Member	Designation	Status	DIN
1.	Ashokbhai Dhanjibhai Babariya	Chairman and Managing Director	Executive	03363509
2.	Dishank Nitin Babariya	Whole-Time Director	Executive	10499582
3.	Mukesh Dhanjibhai Babariya	Non-Executive Director	Non-Executive	06904399
4.	Abhishek Ileshkumar Shah	Independent Director	Non-Executive	10048431
5.	Drashti Laxmikant Solanki	Independent Director	Non-Executive	10136197
6.	Chintan Hemantkumar Joshi	Independent Director	Non-Executive	10513766

## Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee; and
- Nomination and Remuneration Committee

Details of each of these committees are as follows:

### ***a. Audit Committee***

Our Audit Committee was constituted on June 28, 2024 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Abhishek Ileshkumar Shah	Chairperson
2.	Chintan Hemantkumar Joshi	Member
3.	Ashokbhai Dhanjibhai Babariya	Member

The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

### ***A. Powers of Audit Committee***

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

### ***B. Role of the Audit Committee***

The role of the audit committee shall include the following:

1. Oversight of 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. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
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 and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - 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; and

- g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly 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. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the company with related parties;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.

10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. 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;
17. 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;
18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. 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 and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.]

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 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) of the SEBI Listing Regulations.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of 120 days between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

**b. Stakeholders' Relationship Committee**

Our Stakeholder' Relationship Committee was constituted on June 28, 2024. The members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
1.	Abhishek Ileshkumar Shah	Chairperson

Sr. No.	Name of Member	Designation
2.	Chintan Hemantkumar Joshi	Member
3.	Ashokbhai Dhanjibhai Babariya	Member

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights of 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 and 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 receipts of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
5. Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

#### **c. Nomination and Remuneration Committee**

Our Nomination and Remuneration Committee was constituted on June 28, 2024 with the following members:

Sr. No.	Name of Member	Designation
1.	Abhishek Ileshkumar Shah	Chairperson
2.	Chintan Hemantkumar Joshi	Member
3.	Mukeshbhai Dhanjibhai Babariya	Member

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. 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. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
9. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and

10. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

### **Our Key Managerial Personnel and Senior Management**

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 and Senior Management as on the date of filing of this Draft Prospectus:

**Dhavalkumar Maheshbhai Panchal**, aged 28 years, is the Chief Financial Officer of our Company. He armed his Bachelor's Degree in Commerce, specializing in Accounting and Financial Management, from The Maharaja Sayajirao University of Baroda, Vadodara, Gujarat. He has more than 7 years of experience in Accounts and Taxation. At present, he plays a pivotal role in managing accounts, taxation, and production costing within our organization, and also handles liaisoning with Banks on behalf of the Company. Prior to joining our Company, he has previously worked with Mars Engitech Private Limited as Head of Accounts and Finance for a period of five years. He has been associated with our Company since February 2024. The remuneration paid to him during fiscal ended March 31, 2024 was Rs. 0.86 Lakhs

**Janki Raj**, aged 37 years, is the Company Secretary and Compliance Officer of our Company. She is qualified Associate Company Secretary from Institute of Company Secretaries of India and also holds Degree in Master of Business Administration in Finance from Gujarat University and Bachelor's Degree in Commerce from Saurashtra University. She has more than 2 years of experience in the field of Corporate Laws and Secretarial Compliances. She had previously worked with Mori Spinning Private Limited as Company Secretary for a period of 2.5 years. She has been associated with our Company since February 2024. The remuneration paid to her during fiscal ended March 31, 2024 was Rs. 0.34 Lakhs

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

Except disclosed herein, none of the key managerial personnel and senior management are related to each other or to our Promoters or to any of our Directors.

Name of Director	Designation	Relation
Mr. Ashokbhai Dhanjibhai Babariya	Chairman and Managing Director	He is the brother of Mr. Mukesh Dhanjibhai Babariya, who is the Non-Executive Director of the Company
		He is the uncle of Mr. Dishank Nitin Babariya
Mr. Dishank Nitin Babariya	Whole-Time Director	Nephew of Mr. Ashokbhai Dhanjibhai Babariya, who is the Managing Director of the Company
		Nephew of Mr. Mukesh Dhanjibhai Babariya, who is the Non-Executive Director of the Company
		Son of Mrs. Gulabben Nitin Babariya, who is one of the Promoter of the Company

### **Shareholding of the Key Managerial Personnel and Senior Management**

Except as disclosed in "*Shareholding of our Directors*" none of our KMPs holds any Equity Shares of our Company as on the date of filing of this Draft Prospectus.

### **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 Draft 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 Draft Prospectus, none of our Key Managerial Personnel's and Senior Managements 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**

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 Draft Prospectus:

Name	Designation	Date of Appointment/ change	Reason
Ashokbhai Dhanjibhai Babariya	Managing Director	February 22, 2024	Appointment
Dishank Nitin Babariya	Whole-time director	February 22, 2024	Appointment
Janki Raj	Company Secretary and Compliance Officer	February 01, 2024	Appointment
Dhavalkumar Maheshbhai Panchal	Chief Financial Officer	February 01, 2024	Appointment
Shubham Girishbhai Barot	Company Secretary	February 01, 2024	Resignation
Shubham Girishbhai Barot	Company Secretary	December 01, 2023	Appointment
Kunal Muljibhai Desai	Company Secretary	July 01, 2023	Resignation

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 Draft 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 Draft Prospectus.

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## OUR PROMOTER AND PROMOTER GROUP

Promoters of our Company are Mr. Ashokbhai Dhanjibhai Babariya, Mr. Mukesh Dhanjibhai Babariya, Mrs. Gulabben Nitin Babariya and Mr. Dishank Nitin Babariya.

For details of the Capital build-up of our Promoter, see chapter titled “Capital Structure” beginning on page no. 59 of this Draft Prospectus.

### Details of our Promoters

	<p><b>ASHOKBHAI DHANJIBHAI BABARIYA</b></p> <p>Ashokbhai Dhanjibhai Babariya, aged about 53 years, is the Promoter, Chairman and Managing Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, business and other activities, see the chapter titled “<i>Our Management</i>” on page 133 of this Draft Prospectus.</p> <p><b>Date of Birth:</b> November 25, 1970</p> <p><b>Permanent Account Number:</b> AAYPB8563B</p> <p><b>Passport Number:</b> Z4414330</p> <p><b>Driving License Number:</b> GJ05 19890010215</p> <p><b>Address:</b> 904, Milestone, Behind New Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara-391410, Gujarat.</p>
	<p><b>MUKESH DHANJIBHAI BABARIYA</b></p> <p>Mukesh Dhanjibhai Babariya, aged 49 years, is the Promoter and Non-Executive Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” on page 133 of this Draft Prospectus.</p> <p><b>Date of Birth:</b> March 26, 1975</p> <p><b>Permanent Account Number:</b> AQTPB6621K</p> <p><b>Passport Number:</b> GC287959</p> <p><b>Driving License Number:</b> GJ05 19940098033</p> <p><b>Address:</b> 25-26, Shantivan Society, Opp. J.B. Circle, L.H. Road, Surat, Varachha Road, Surat-395006, Gujarat.</p> <p>*He holds the passport of Belgium and is an OCI (Overseas Citizen of India) card holder.</p>



#### **DISHANK NITIN BABARIYA**

Dishank Nitin Babariya, aged about 22 years, is the Promoter and Whole-Time Director of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, business and other activities, see the chapter titled “*Our Management*” on page 133 of this Draft Prospectus.

**Date of Birth:** November 27, 2001

**Permanent Account Number:** EXYPB1977E

**Passport Number:** Z4513160

**Driving License Number:** GJ06 20180027836

**Address:** 904, Milestone, Behind New Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara-391410, Gujarat.



#### **GULABBEN NITIN BABARIYA**

Gulabben Nitin Babariya, aged 49 years, is the Promoter of our Company.

**Date of Birth:** June 01, 1975

**Permanent Account Number:** BBUPB3445G

**Passport Number:** X2883465

**Driving License Number:** GJ05 19980236741

**Address:** 904, Milestone, Behind New Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara-391410, Gujarat.

**Education Qualification:** H.Sc.

**Other Position/posts held in the Past:** Director of our Company till February 22, 2024

**Directorship held:** 3B Welfare Foundation

**Special Achievements, Business and Other Activities:** She was associated as Director of the Company till February 22, 2024 and possesses experience of approximately 9 years in the Personnel & Administration Department in addition to business of our Company.

#### **Other Undertakings and Confirmations**

Our Company undertakes that the details of Permanent Account Number, Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number of the Promoters will be submitted at the time of submission of this Draft Prospectus with BSE for listing of the securities of our Company on SME Platform of BSE.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulter or a fraudulent borrower by the RBI or any other governmental authority. No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past or are currently pending against them.

None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

#### Other Entities of our Promoters

The Entities in which our Promoters are involved in are as follows:

a. ASHOKBHAI DHANJIBHAI BABARIYA:

Name of the Entity	Nature of Interest
Mars Engitech Private Limited	Director & Member
3B Welfare Foundation	Director & Guarantor
Ashokbhai D Babariya HUF	Karta
Hans Export	Partner

b. MUKESH DHANJIBHAI BABARIYA:

Name of the Entity	Nature of Interest
3B Welfare Foundation	Director & Guarantor
Babariya Mukeshbhai Dhanjibhai HUF (also named as “Krish Corporation”)	Karta

c. DISHANK NITIN BABARIYA:

Name of the Entity	Nature of Interest
N.A.	

d. GULABBEN NITIN BABARIYA:

Name of the Entity	Nature of Interest
3B Welfare Foundation	Director & Guarantor

#### Change in Control of our Company

Our Promoters are the original promoters of our Company and the control of our Company has not been acquired during five years immediately preceding this Draft Prospectus.

#### Experience of our Promoters in the business of our Company:

Name	Particulars
Ashokbhai Dhanjibhai Babariya	He is one of the promoter and pioneer of the company. Since 2014, he has extensive knowledge and experience of over a decade of the manufacturing and supplying specialty CPP and CPE Films for packaging solutions.
Mukesh Dhanjibhai Babariya	He is also associated with the Company since its incorporation in 2014 i.e. experience of a decade in manufacturing and supplying specialty CPP and CPE Films for packaging solutions.
Dishank Nitin Babariya	He is a gold medalist in graduation of Technology Polymer Engineering and has joined our company on February 22, 2024 as a Whole-time director of our company after completing his studies.
Gulabben Nitin Babariya	She associated as Director of the Company till February 22, 2024 and having experience of approximately 9 years in the Personnel & Administration Department in addition to business of our Company.

#### Interest of our Promoters

##### Interest in promotion of our Company

Our Promoters are interested in our Company to the extent that they have 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 “*Related Party Transactions*” beginning on page 59, 133 and 153, respectively of this Draft Prospectus.

#### *Interest of Promoters in our Company other than as a Promoter*

Our Promoters, Ashokbhai Dhanjibhai Babariya, Mukesh Dhanjibhai Babariya and Dishank Nitin Babariya are the Managing Director, Non-Executive Director and Whole-time Director, respectively, of our Company therefore, may deemed to be considered interested to the extent of any compensation, remuneration, sitting fees which shall be payable to them in such capacity. Except as stated in this section and the section titled “*Our Management*” and “*Related Party Transactions*” on pages 133 and 153, respectively, our Promoters do not have any interest in our Company other than as a Promoter.

Our Promoters, and their relatives, have extended personal guarantees and Properties in favour of certain banks with respect to the loan facilities availed by our Company from them. For further details, please refer to the chapter titled — “*Financial Indebtedness*” on page 155 of this Draft Prospectus. Our Promoters have not given any guarantee to third party in respect of equity shares of our Company that are outstanding as of the date of filing of this Draft Prospectus.

#### **Interest in the properties of our Company**

Except as disclosed in the section titled “*Our Business*”, “*Financial Information*” and the chapter titled “*Related Party Transaction*” on page 103, 153 and 153 our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this with Stock Exchange 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 section titled “*Our Management*”, “*Related Party Transactions*” under the chapter title “*Financial Information*” on pages 133 and 153, respectively, our Promoters do not has any interest in our Company other than as a Promoter.

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 Promoter Group during the last two years**

Except as stated in this chapter and the benefits mentioned in the related party transactions as per AS-18 there has been no payment of any amount of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of this nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of this. For further details, please refer to the chapter titled “*Related Party Transactions*” on page 153 of this Draft Prospectus.

#### **Litigations involving our Promoters**

We and our Promoter, Group Entities and Companies promoted by the Promoters confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on Page No. 167 of this Draft Prospectus.

#### **Details of Companies / Firms from which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves from any company/firm during the three years preceding this.

#### **A. OUR PROMOTER GROUP**

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

##### ***Individuals forming part of the Promoter Group:***

Name of the Promoters	Relationship with the Promoter	Name of the member of Promoter Group
Ashokbhai Dhanjibhai Babariya	Father	Dhanjibhai Naranbhai Patel
	Mother	Nabuben Dhanjibhai Patel
	Spouse	Heena Ashokbhai Babariya
	Brother/s	Mukesh Dhanjibhai Babariya
		Nitinbhai Dhanjibhai Babariya
	Sister/s	Kailashben Manojkumar Devani
	Son/s	Mithil Ashokkumar Babariya
	Daughter/s	Yesha Ashokkumar Babariya
	Spouse's Father	Jayantilal Laxmanbhai Amipara
	Spouse's Mother	Manjulaben Jayantilal Amipara
	Spouse's Brother	Jayeshkumar Jayantilal Amipara Kamlesh Jayantilal Amipara

Name of the Promoters	Relationship with the Promoter	Name of the member of Promoter Group
Mukesh Dhanjibhai Babariya	Spouse's Sister	Anita Dineshkumar Ribadia
	Father	Dhanjibhai Naranbhai Patel
	Mother	Nabuben Dhanjibhai Patel
	Spouse	Harshaben Mukeshbhai Babariya
	Brother/s	Ashokbhai Dhanjibhai Babariya
		Nitinbhai Dhanjibhai Babariya
	Sister/s	Kailashben Manojkumar Devani
	Son/s	Krish Mukesh Babariya (Minor)
	Daughter/s	Piya Mukesh Babariya
	Spouse's Father	Mohanlal Mulji Dhamelia
	Spouse's Mother	Kasturben Mohanlal Dhamelia
	Spouse's Brother	Chirag Mohanbhai Dhamelia
	Spouse's Sister	Dakshaben Bharatbhai Patel
		Sarojben Dhamelia
		Jasmina Dhamelia
Dishank Nitin Babariya	Father	Nitinbhai Dhanjibhai Babariya
	Mother	Gulabben Nitin Babariya
	Spouse	N.A.
	Brother/s	N.A.
	Sister/s	Vishwa Nitin Babariya
	Son/s	N.A.
	Daughter/s	N.A.
	Spouse's Father	N.A.
	Spouse's Mother	N.A.
	Spouse's Brother	N.A.
	Spouse's Sister	N.A.
Gulabben Nitin Babariya	Father	Ramnkbhai Savjibhai Dhanani
	Mother	Bhanuben Ramnkbhai Dhanani
	Spouse	Nitinbhai Dhanjibhai Babariya
	Brother/s	Sanjeev Ramniklal Dhanani
	Sister/s	Gitaben Umeshbhai Nasit
		Trupti Parasbhai Dobariya
	Son/s	Dishank Nitin Babariya
	Daughter/s	Vishwa Nitin Babariya
	Spouse's Father	Dhanjibhai Naranbhai Patel
	Spouse's Mother	Nabuben Dhanjibhai Patel
	Spouse's Brother	Ashokbhai Dhanjibhai Babariya
		Mukesh Dhanjibhai Babariya
	Spouse's Sister	Kailashben Manojkumar Devani

**Entities forming part of the Promoter Group:**

**a. Companies related to our Promoters Company: Not Applicable as our Promoters are not Company.**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoters Company.	Not Applicable
Any Body corporate in which Promoters (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoters (Body Corporate).	Not Applicable

**b. Companies, Proprietary concerns, HUF's related to our Promoters:**

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoters or an immediate relative of the Promoters or a firm or HUF in which Promoters or any one or more of his immediate relatives are a member.	1. 3B Flexipacks Private Limited 2. Mars Engitech Private Limited

	3. 3B Welfare Foundation
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	Nil
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoters and his immediate relatives is equal to or more than twenty percent.	1. Hans Exports 2. Ashokbhai D Babariya HUF 3. Babariya Mukeshbhai Dhanjibhai HUF

#### **D. Person whose shareholding is aggregated under the heading “Shareholding of the Promoters Group”**

Name of Entities / Person	No of Shares
N.A.	

#### **Common Pursuits**

There are no common pursuits that may lead to conflict of interest in the business of the Company and other firms/companies promoted by the Promoters.

For further details on our Group Companies refer Chapter titled “Information with respect to Group Companies” beginning on page no. 149 of this Draft Prospectus.

#### **Other Confirmations**

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or as a fraudulent borrower by the RBI or any other governmental authority and there are no 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.

None of our Promoters or Promoter Group entities 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 Promoters and members of the Promoter Group are not and have never been promoters, 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 the Offer against our Promoters.

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## OUR GROUP COMPANIES

The definition of 'Group Companies' as per the SEBI ICDR Regulations, shall include such companies (other than promoters(s), holding Company and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the Board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated June 28, 2024 our Group Companies includes:

- (a) Those companies disclosed as related parties in accordance with Accounting Standard (ed by t) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (b) All such companies which are deemed to be material by the Board of Directors.

Accordingly, based on the parameters outlined above, as on the date of this Draft Prospectus, our Board has identified below Entities as the Group Companies of our Company (**Group Companies**”).

1. 3B Flexipacks Private Limited
2. Mars Engitech Private Limited

### DETAILS OF OUR GROUP COMPANIES

#### 3B FLEXIPACKS PRIVATE LIMITED

3B Flexipacks Private Limited is incorporated on July 06, 2015. The CIN is U25199GJ2015PTC083770 and Registered Office is situated at SF 220, Pancham Icon, Besides D-Mart, Vasana Road, Vadodara, Gujarat, India, 390007.

3B Flexipacks Private Limited is in business to carry on the business of design, development & manufacture of flexible containers with or without lids from different polymers/ plastics for the application of packaging of food and non-food products carry out business of importer, exporter, wholesaler, retailer, distributor, dealer or commission agent for such products that is not manufactured in-house.

#### *Financial Performance*

As required under the SEBI ICDR Regulations, 3B Flexipacks Private Limited shall host the financial information for financial years ended March 2024, March 2023 and March 2022 on the website of company. Such financial information is available at [www.3bfilms.com](http://www.3bfilms.com)

#### MARS ENGITECH PRIVATE LIMITED

Mars Engitech Private Limited is incorporated on January 19, 2011. The CIN is U29190GJ2011PTC063728 and Registered Office is situated at SF 220, Pancham Icon, Besides D-Mart, Vasana Road, Vadodara, Vadodara, Gujarat, India, 390007.

Mars Engitech Private Limited is in business to carry on the business of to manufacture, sale, resale, assemble, fabricate, erect, purchase, process, design, develop, distribute, repair, service, renovate, import, export, let on hire and otherwise, deal in all sorts of spare parts and machinery, plant, equipments, tools and implements, required for automobiles industry in particular and for industrial, commercial, agricultural, related industries and deal in its spare parts, components, implements, articles, auxiliaries and accessories, foundries of iron, steel, brass and other metals and to carry out all type of business of following,

1. Engineering Consultancy to various industries
2. Engineering, design, development & manufacturing of engineering spares and equipments for various process industries

Manufacturing & supply of engineering products in semi finished & finished conditions, produced by engineering methods of production. e.g. casting, forging, machining, moulding ect from ferrous, non ferrous metals, steels, polymers and other engineering materials.

#### *Financial Performance*

As required under the SEBI ICDR Regulations, Mars Engitech Private Limited shall host the financial information for financial years ended March 2024, March 2023 and March 2022 on the website of company. Such financial information is available at [www.3bfilms.com](http://www.3bfilms.com)

### LITIGATION

Other than as disclosed in “*Outstanding Litigations and Material Developments*” on page 167 of this Draft Prospectus, our Group Companies are not party to any litigation which may have material impact on our Company.

#### Interest of Group Entities

- a) None of the Group Companies have any interest in the promotion of our Company.
- (b) None of the Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the preceding three years.
- (c) Except as disclosed in “Financial Statements” beginning on page 153, none of the Group Companies is interested in any transactions for acquisition of land, construction of building or supply of machinery.
- (d) Except in the ordinary course of business as disclosed in “Financial Statements” beginning on page 153, none of the Group Companies have any business interest or other interests in our Company.

## **COMMON PURSUITS BETWEEN OUR GROUP COMPANIES AND OUR COMPANY**

There are no common pursuits among our Company and Group Companies or any objects similar to that of our Company's business

## **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

Other than the transactions disclosed in the "*Restated Financial Statements*" beginning on page 153 of this Draft Prospectus, there are no other business transactions between our Company and the Group Companies which are significant to the financial performance of our Company.

## **GROUP COMPANIES UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

Neither has any winding up petition been filed under the Companies Act, 2013 against any group company nor has any corporate insolvency resolution process commenced against such group company under the Insolvency and Bankruptcy Code, 2016 or any other applicable law.

## **OTHER CONFIRMATIONS**

As on the date of this Draft Prospectus, none of the Group Companies: (i) are listed on any stock exchange; (ii) have completed any public or rights issue since the date of its incorporation; (iii) has received any winding up petition accepted by a court; (iv) have become defunct; (v) have made an application to the relevant registrar of companies (in India), for striking off its name (vi) have been identified as wilful defaulters, as defined under the SEBI (ICDR) Regulations and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them (vii) have been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad (viii) had negative net worth as of the date of their last audited financial statements.

*(The remainder of this page is intentionally left blank)*

## **OUR SUBSIDIARY**

Our Company does not have any Subsidiary as on the date of this Draft Prospectus.

*(The remainder of this page is intentionally left blank)*

## **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, consolidated 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 Draft 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 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. 28 of this Draft Prospectus.

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## SECTION VI-FINANCIAL INFORMATION

### RESTATED FINANCIAL INFORMATION

Sr. No.	Particulars	Page Nos.
1	Restated Financial Information	FS 01 to FS 35

## Annexure 1: Restated Statement of Assets and Liabilities

(₹ in lakhs)

Particulars	Annexure	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Equity and Liabilities</b>					
<b>Shareholders' Funds</b>					
Share Capital	5	2122.00	2122.00	2122.00	2122.00
Reserves and Surplus	6	1132.88	970.08	540.91	449.14
<b>Total Equity</b>		<b>3254.88</b>	<b>3092.08</b>	<b>2662.91</b>	<b>2571.14</b>
<b>Non-Current Liabilities</b>					
Long-Term Borrowings	7	6323.29	7214.85	6307.57	7237.36
Deferred Tax Liabilities (Net)	8	100.30	46.06	-100.81	-143.22
Other Long-Term Liabilities	9	-	-	-	-
Long-Term Provisions	10	21.71	21.94	16.74	-
<b>Total Non- Current Liabilities</b>		<b>6445.30</b>	<b>7282.85</b>	<b>6223.51</b>	<b>7094.15</b>
<b>Current liabilities</b>					
Short-term borrowings	7	3319.50	3440.26	3548.19	2696.01
Trade payables	11				
i) Total outstanding dues of micro enterprise and small enterprise		56.78	103.85	492.52	336.95
ii) Total outstanding dues other than micro enterprise and small enterprise		585.99	484.34	315.50	303.99
Other current liabilities	12	328.95	57.77	36.30	33.84
Short-term provisions	10	26.56	23.27	24.66	37.44
<b>Total Current Liabilities</b>		<b>4317.78</b>	<b>4109.49</b>	<b>4417.17</b>	<b>3408.22</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>14017.96</b>	<b>14484.42</b>	<b>13303.58</b>	<b>13073.51</b>
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment and Intangible Assets					
(i) Property, Plant and Equipment	13	7736.06	7838.30	8132.15	8360.05
(iii) Intangible Assets		360.41	287.23	8.11	24.22
Non-current investments	14	-	-	-	-
Long-Term Loans and Advances	15	3.44	.30	1.33	1.33
Other Non-Current Assets	16	285.82	282.33	276.64	260.55
<b>Total Non-Current Assets</b>		<b>8385.74</b>	<b>8408.17</b>	<b>8418.23</b>	<b>8646.15</b>
<b>Current Assets</b>					
Inventories	17	5173.74	4983.26	4296.00	3215.32
Trade Receivables	18	355.56	956.49	429.01	569.82
Cash and Cash Equivalent	19	48.07	94.53	52.06	358.20
Short-Term Loans and Advances	15	22.82	9.94	6.11	161.58
Other Current Assets	16	32.03	32.03	102.17	122.44
<b>Total Current Assets</b>		<b>5632.22</b>	<b>6076.25</b>	<b>4885.35</b>	<b>4427.36</b>
<b>TOTAL ASSETS</b>		<b>14017.96</b>	<b>14484.42</b>	<b>13303.58</b>	<b>13073.51</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure 4.  
as per our report of even date attached

**For, A O Mittal & Associates**  
Chartered Accountants  
Firm Registration No.: 014640C

On Behalf of 3B Films Limited

Mukeshbhai Babariya  
Director  
DIN: 06904399

Ashokbhai Babariya  
Managing Director  
DIN: 03363509

Sd/-

CA Shesha Soni  
Partner  
M. No. 542840  
UDIN: 24542840BKXBZG8470  
Place : Vadodara  
Date : 12/09/2024

Dhaval M Panchal  
Chief Financial Officer  
PAN: EQHPP7400L  
Place : Vadodara  
Date : 12/09/2024

Janki Raj  
Company Secretary  
PAN: AWKPK4438Q



**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**
**Annexure 2: Restated Statement of Profit and Loss**
**(₹ in lakhs)**

Particulars	Annexure	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Revenue</b>					
Revenue from operations	<b>20</b>	1613.40	7574.89	7179.90	6737.79
Other income	<b>21</b>	17.51	64.90	102.03	69.41
<b>Total Income</b>		<b>1630.91</b>	<b>7639.79</b>	<b>7281.93</b>	<b>6807.20</b>
<b>Expenses</b>					
Cost of materials consumed	<b>22</b>	925.32	3314.32	4905.34	5041.56
Purchase of Stock in Trade	<b>23</b>	-	2071.97	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	<b>24</b>	-141.21	-435.79	-98.32	-396.92
Employee Benefits Expense	<b>25</b>	112.32	337.49	346.20	336.40
Finance Costs	<b>26</b>	204.69	676.17	631.78	603.14
Depreciation and amortisation Expense	<b>13</b>	116.65	311.69	326.71	319.13
Other Expenses	<b>27</b>	196.11	787.88	1036.06	957.98
<b>Total Expenses</b>		<b>1413.87</b>	<b>7063.74</b>	<b>7147.75</b>	<b>6861.30</b>
<b>PROFIT BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX</b>		<b>217.04</b>	<b>576.04</b>	<b>134.17</b>	<b>-54.09</b>
Exceptional/Prior Period Items		-	-	-	1.45
<b>PROFIT BEFORE TAX</b>		<b>217.04</b>	<b>576.04</b>	<b>134.17</b>	<b>-55.55</b>
<b>Tax Expense</b>					
Current tax		-	-	-	-
Deferred tax (credit)/charge		54.24	146.87	42.41	-21.09
<b>Total Tax Expenses</b>		<b>54.24</b>	<b>146.87</b>	<b>42.41</b>	<b>-21.09</b>
<b>Profit for the period / year</b>		<b>162.80</b>	<b>429.17</b>	<b>91.76</b>	<b>-34.46</b>
<b>Earnings per equity share of Rs. 10/- each (in Rs.)</b>					
a) Basic/Diluted EPS		<b>0.77</b>	<b>2.02</b>	<b>0.43</b>	<b>-0.16</b>
b) Adjusted/Diluted EPS after Bonus Issue		<b>0.77</b>	<b>2.02</b>	<b>0.43</b>	<b>-0.16</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4  
As per our report of even date attached

**For, A O Mittal & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 014640C**

**On Behalf of 3B Films Limited**

**Mukeshbhai Babariya**  
**Director**  
**DIN: 06904399**

**Ashokbhai Babariya**  
**Managing Director**  
**DIN: 03363509**

Sd/-

**CA Shesha Soni**  
**Partner**  
**M. No. 542840**

**Dhaval M Panchal**  
**Chief Financial Officer**  
**PAN: EQHPP7400L**

**Janki Raj**  
**Company Secretary**  
**PAN: AWKPK4438Q**

**Place : Vadodara**  
**Date : 12/09/2024**

**Place : Vadodara**  
**Date : 12/09/2024**

Annexure 3: Restated Statement of Cash Flows				(₹ in lakhs)
Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. Cash flow from operating activities</b>				
Profit before tax, as restated	217.04	576.04	134.17	-55.55
Adjustments for :				
Depreciation and amortisation expense	116.65	311.69	326.71	319.13
Finance costs	192.92	618.73	631.78	603.14
Interest & Dividend income	-	2.26	2.15	1.98
<b>Operating profit before working capital changes</b>	<b>526.61</b>	<b>1508.73</b>	<b>1094.81</b>	<b>868.70</b>
<b>Changes in working capital:</b>				
(Increase) / decrease Inventories	-190.48	-687.26	-1080.68	-1208.20
(Increase) / decrease in Trade Receivables	600.94	-527.49	140.81	107.05
(Increase) / decrease in Other Current Assets	-	70.14	20.27	-10.35
Increase / (decrease) in Trade Payables	54.58	-219.83	167.08	-87.03
Increase / (decrease) in Other Current Liabilities	271.18	21.47	2.45	17.14
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	-23	5.20	16.74	-
Increase / (decrease) in Long Term Liabilities	-	-	-	-
(Increase) / decrease in Non Current Assets	-3.49	-5.69	-16.09	-16.82
Increase / (decrease) in Short Term Provision	3.29	-1.40	-12.77	8.95
<b>Cash generated from / (utilised in) operations</b>	<b>1262.40</b>	<b>163.87</b>	<b>332.63</b>	<b>-320.55</b>
Less : Income tax paid	-	-	-	-
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>1262.40</b>	<b>163.87</b>	<b>332.63</b>	<b>-320.55</b>
<b>B. Cash flow from investing activities</b>				
(Purchase)/Sale of property, plant and equipment	-87.59	-296.97	-82.71	-37.07
Capital Work In Progress				
Net of Purchase/ Proceeds from Sale of Investments	-3.14	1.03	.00	48.92
Interest and Dividend Received	-	-2.26	-2.15	-1.98
Increase in Investment				
<b>Net cash flow utilised in investing activities (B)</b>	<b>-90.73</b>	<b>-298.20</b>	<b>-84.85</b>	<b>9.87</b>
<b>C. Cash flow from financing activities</b>				
(Increase) / decrease in Short term Loans and Advances	-12.88	-3.83	155.47	-97.64
Net of Repayment/Proceeds from Short Term Borrowings	-120.76	-107.93	852.18	399.62
Net of Repayment/Proceeds from Long Term Borrowings	-891.56	907.28	-929.79	931.04
Interest/Finance Charges Paid	-192.92	-618.73	-631.78	-603.14
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>-1218.13</b>	<b>176.79</b>	<b>-553.92</b>	<b>629.88</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>-46.46</b>	<b>42.47</b>	<b>-306.14</b>	<b>319.19</b>
Cash and cash equivalents at the beginning of the period/ year	<b>94.53</b>	<b>52.06</b>	<b>358.20</b>	<b>39.00</b>
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>48.07</b>	<b>94.53</b>	<b>52.06</b>	<b>358.20</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 1, 2 and 4

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For, A O Mittal & Associates  
Chartered Accountants  
Firm Registration No.: 014640C

On Behalf of 3B Films Limited

Mukeshbhai Babariya  
Director  
DIN: 06904399

Ashokbhai Babariya  
Managing Director  
DIN: 03363509

Sd/-

CA Shesha Soni  
Proprietor  
M. No. 542840

Dhaval M Panchal  
Chief Financial Officer  
PAN: EQHPP7400L

Janki Raj  
Company Secretary  
PAN: AWKPK4438Q

Place : Vadodara  
Date : 12/09/2024

Place : Vadodara  
Date : 12/09/2024

**NOTES TO THE RESTATEMENT**

**A. Background of the Company**

Our Company was originally incorporated as “3B Films Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated 3rd, September, 2014 issued by Registrar of Companies, Gujarat, Ahmedabad. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated 14th March, 2024 and consequently, the name of our Company was changed from “3B FILMS PRIVATE LIMITED” to “3B FILMS LIMITED” and a fresh certificate of incorporation dated 21ST JUNE, 2024 was issued to our Company by the Registrar of Companies, Gujarat. The Corporate Identification Number of our Company is U25200GJ2014PLC080685.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**a. BASIS OF PREPARATION**

The financial statements have been prepared in accordance with the applicable Accounting Standards notified under Section 133 of the the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 under historical cost convention on accrual basis.

All the assets and liabilities have been classified as current or non-current as per Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**b. USE OF ESTIMATES**

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**c. REVENUE RECOGNITION:**

(i) Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognised net of GST and other taxes as the same is recovered from customers and passed on to the government.

(ii) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Other items of income and expenses are recognised on accrual basis.

(iv) Income from export entitlement is recognised as on accrual basis.

**NOTES TO THE RESTATEMENT**

**d. FOREIGN CURRENCY TRANSACTIONS.**

**Initial recognition**

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.

**Measurement of foreign currency monetary items at Balance Sheet date**

Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are restated at the year end rates.

**Exchange difference**

Exchange differences arising on settlement of monetary items are recognised as income or expense in the period in which they arise.

Exchange difference arising on restatement of foreign currency monetary items as at the year end being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year.

Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.

**Forward Exchange Contract**

The Premium or discount arising at the inception of the Forward Exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange Differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such a forward contract is recognized as income or expense in the period in which such cancellation or renewal is made.

The Foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as per schedule 4 (E).

**e. INVESTMENTS**

Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**f. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

**NOTES TO THE RESTATEMENT**

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de-recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. Property, Plant and Equipments individually costing upto Rs. 5,000 are fully depreciated in the year of purchase.

**g. DEPRECIATION AND AMORTISATION**

Depreciation is calculated using the Straight Line method over their estimated useful lives. The estimates of useful lives of Property Plant and Equipments are as follows:

<b>Class of Assets</b>	<b>Useful life as per schedule II</b>	<b>Useful Life as per Group</b>
Leasehold Improvements	30 years	30 years
Office equipment	5 Years	5 years
Furniture and fixtures	10 years	10 years
Plant and Machinery	15 years	15 years
Vehicles	8 years	8 years

Leasehold improvements are amortised over of the lease or life of the asset whichever is less.

**h. INVENTORIES:**

Inventories of traded goods are valued at lower of cost and net realizable value. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition . Cost formula used is FIFO/weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

**NOTES TO THE RESTATEMENT**

**i. IMPAIRMENT OF ASSETS:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.



**NOTES TO THE RESTATEMENT**

**j. RETIREMENT BENEFITS:**

**(i) Short-term employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognised as expenses in the period in which the employee renders the related service

**(ii) Post employment benefits:**

**Defined Contribution Plan**

'Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

**Defined benefit Plans**

Unfunded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

'The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of 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 termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

**k. BORROWING COST**

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.

**NOTES TO THE RESTATEMENT**

**I. EARNINGS PER SHARE:**

The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period.

**m. TAXATION:**

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognised only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognised. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.

**n. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

**(i) Provisions**

A provisions is recognized when the Company has a present obligation as a result of past event, if 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 obligation.

**(ii) Contingent Liability**

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(ii) Contingent Assets**

Contingent Assets are neither recognised nor disclosed in the financial statements.

**NOTES TO THE RESTATEMENT**

**o. SEGMENT REPORTING**

In accordance with the Accounting Standard 17 "segment reporting" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended ) is not applicable to the company.

**p. CASH & CASH EQUIVALENTS**

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

**q. LEASES**

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases". Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

**r. Government Grants**

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.

Export benefits / incentives are accounted on accrual basis. Accordingly, estimated export benefits against exports affected during the year are taken into account as estimated incentives accrued till the end of the year. In case of License not revalidated after the date of expiry, the proportionate export benefit / incentive taken credit in earlier year(s) is written off in the year of expiry of License.

## Annexure 4: Statement of Notes to the Restated Financial Information

## C Contingent liabilities and commitments

## (i) Contingent liabilities (₹ in lakhs)

Particulars	As at 31st July, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Claims against the Company not acknowledged as debt</b>				
Custom Duty saved on import of Capital Goods under EPCG Scheme	1155.06	-	-	-
Bank Guarantees	291.53	291.53	291.53	291.53
Indirect Tax Liability	282.11	-	-	-
Direct Tax Liability	-	-	-	-
Corporate Guarantee Given by Company	-	-	-	-
Others	696.33	696.33	696.33	696.33
<b>Total</b>	<b>2425.03</b>	<b>987.86</b>	<b>987.86</b>	<b>987.86</b>

## D Earning &amp; Expenditure in foreign currency on accrual basis (₹ in lakhs)

Particulars	As at 31st July, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Foreign Currency Expenditure (Net off Remittance Charges)</b>				
Earnings	509.92	2175.45	1597.62	1515.86
Purchase	531.96	2243.26	2321.73	1770.10
Expenses	-	-	-	-

E The Company has entered into operating lease agreements for office facilities and such leases are basically cancellable in nature. The lease payments under operating leases have been recognised as an expense in the Restated Statement of Profit and Loss.

## F The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at 31st July, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Foreign Currency Exposure that have not been Hedged by Derivative Instruments</b>	-	-	-	-

## G Changes in Accounting Policies in the Periods/Years Covered In The Restated Financials

There is no change in significant accounting policies adopted by the Company.

## H Notes On Restatement Made In The Restated Financials

- 1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 2) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.
- 3) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- 4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.
- 5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- 6) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.
- 7) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 8) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.

**Annexure 4: Statement of Notes to the Restated Financial Information****I. Restatement adjustments, Material regroupings and Non-adjusting items****(a) Impact of restatement adjustments**

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

	(₹ in lakhs)			
Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Profit after tax as per audited financial statements	162.44	514.35	55.57	-136.22
<b>Adjustments to net profit as per audited financial statements</b>				
Insurance Claim Received	-	-	-20.27	20.27
Gratuity Expenses due to actuarial valuation report	-.17	-2.05	3.70	
Taxes adjusted in current period	.54	-	-	-34.35
Differed Tax Liability / Assets Adjustments (refer note (b)(iii) below)	-	-83.12	52.76	115.84
<b>Total adjustments</b>	<b>.36</b>	<b>-85.17</b>	<b>36.19</b>	<b>101.76</b>
<b>Restated profit after tax for the period/ years</b>	<b>162.80</b>	<b>429.17</b>	<b>91.76</b>	<b>-34.46</b>

**Note:**

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

**(b) Explanatory notes for the restatement adjustments**

- (i) The Amount relating to the Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.
- (ii) The Company has provided Excess or Short Provision/MAT in the year in which the Income Tax Return has been filled for the respective financial year. But in the Restated Financial Information the company has provided Excess or Short Provision/MAT in the year to which it relates to.
- (iii) There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

**(c) Reconciliation of restated Equity / Networth:**

	(₹ in lakhs)			
Particulars	Period Ended 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Equity / Networth as per Audited Financials</b>	3253.41	2376.76	1862.41	1806.84
<b>Adjustment for:</b>				
Restated Effect for the period covered in Restated Financials	1.48	715.32	800.49	764.30
Prior Period Adjustments		-	-	-
<b>Equity / Networth as Restated</b>	<b>3254.88</b>	<b>3092.08</b>	<b>2662.91</b>	<b>2571.14</b>

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

## Annexure 5: Restated Statement of Share capital

(₹ Lakhs except share data)

Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Authorised share capital</b>				
Equity shares of Rs. 10 each				
- Number of shares	2,50,00,000	2,50,00,000	2,30,00,000	2,30,00,000
- Amount	2500.00	2500.00	2300.00	2300.00
<b>Total Amount</b>	<b>2500.00</b>	<b>2500.00</b>	<b>2300.00</b>	<b>2300.00</b>

**Issued, subscribed and fully paid up**

Equity shares of Rs. 10 each				
- Number of shares	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
- Amount	2122.00	2122.00	2122.00	2122.00
<b>Total Amount</b>	<b>2122.00</b>	<b>2122.00</b>	<b>2122.00</b>	<b>2122.00</b>

**Reconciliation of equity share capital**

Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Balance at the beginning of the period/year</b>				
- Number of shares	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
- Amount	2122.00	2122.00	2122.00	2122.00
<b>Add: Shares issued during the period/year</b>				
- Number of shares	-	-	-	-
- Amount	-	-	-	-
<b>Add: Bonus Shares issued during the period/year</b>				
- Number of shares	-	-	-	-
- Amount	-	-	-	-
<b>Balance at the end of the period/year</b>				
- Number of shares	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
- Amount	2122.00	2122.00	2122.00	2122.00

Shareholders holding more than 5% of the shares of the Company



**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**

Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Equity shares of Rs. 10 each</b>				
<b>Mr. Ashokbhai Babariya</b>				
- Number of shares	53,58,848	70,74,248	70,74,248	70,74,248
- Percentage holding (%)	25.25%	33.34%	33.34%	33.34%
<b>Mr. Mukeshbhai Babariya*</b>				
- Number of shares	58,09,596	70,72,876	70,72,876	70,72,876
- Percentage holding (%)	27.38%	33.33%	33.33%	33.33%
<b>Mrs. Gulabben Babariya</b>				
- Number of shares	56,01,506	58,31,506	58,31,506	58,31,506
- Percentage holding (%)	26.40%	27.48%	27.48%	27.48%
<b>Mr. Nitinbhai Babariya</b>				
- Number of shares	-	-	12,41,370	12,41,370
- Percentage holding (%)	0.00%	0.00%	5.85%	5.85%
<b>Mr. Dishank babariya</b>				
- Number of shares	12,41,370	12,41,370	-	-
- Percentage holding (%)	5.85%	5.85%	0.00%	0.00%

\*Against the consideration received on July 05, 2024, Mr. Mukesh Babariya has transferred 27,720 equity shares to Mr. Ashwin Boda on August 23, 2024. The shareholding of the Mr. Mukesh Babariya is 57,81,876 equity shares as on the date of the Draft Prospectus.

Particulars	Shares held by Promoters at the end of the year		
	For 31st July, 2024		
	No of Shares	% of total Shares	% Change during the year
Mr. Ashokbhai Babariya	53,58,848	25.25%	-0.08
Mr. Mukeshbhai Babariya	58,09,596	27.38%	-0.06
Mrs. Gulabben Babariya	56,01,506	26.40%	-0.01
Mr. Nitinbhai Babariya	-	0.00%	0.00
Mr. Dishank babariya	12,41,370	5.85%	0.00

Particulars	Shares held by Promoters at the end of the year		
	For 31st March, 2024		
	No of Shares	% of total Shares	% Change during the year
Mr. Ashokbhai Babariya	70,74,248	33.34%	0.00
Mr. Mukeshbhai Babariya	70,72,876	33.33%	0.00
Mrs. Gulabben Babariya	58,31,506	27.48%	0.00
Mr. Nitinbhai Babariya	-	0.00%	-0.06
Mr. Dishank babariya	12,41,370	5.85%	0.06

Particulars	Shares held by Promoters at the end of the year		
	For the year ended 31 March 2023		
	No of Shares	% of total Shares	% Change during the year
Mr. Ashokbhai Babariya	70,74,248	33.34%	0.00
Mr. Mukeshbhai Babariya	70,72,876	33.33%	0.00
Mrs. Gulabben Babariya	58,31,506	27.48%	0.00
Mr. Nitinbhai Babariya	12,41,370	5.85%	0.00

Particulars	Shares held by Promoters at the end of the year		
	For the year ended 31 March 2022		
	No of Shares	% of total Shares	% Change during the year
Mr. Ashokbhai Babariya	70,74,248	33.34%	0.00
Mr. Mukeshbhai Babariya	70,72,876	33.33%	0.00
Mrs. Gulabben Babariya	58,31,506	27.48%	0.00
Mr. Nitinbhai Babariya	12,41,370	5.85%	0.00

**Terms & Rights attached to Equity Shares.**

The Company has only one class of share referred to as Equity Shares having a par value of Rs. 10/- each. Each holder of Equity Shares is entitled to one vote per share. Dividend on such shares is payable in proportion to the paid up amount. Dividend (if any) recommended by board of directors (other than interim dividend) is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of winding up of the company, the holder of Equity Shares will be entitled to receive any of the remaining assets of the company after all preferential amounts and external liabilities are paid in full. However, no such preferential amount exists currently. The distribution of such remaining assets will be on the basis of number of Equity Shares held and the amount paid up on such shares.

(i) The Figures disclosed above are based on the statement of assets and liabilities of the company

The above statement should be read with the restated statement of assets & liabilities, Restated statement of Profit & Loss,

(ii) Restated statement of Cashflow, significant accounting policies & notes to restated statements as appearing in annexures 1, 2, 3 & 4 respectively.

**3B Films Ltd. (Formerly known as 3B Films Private Ltd)****Annexure 6: Restated Statement of Reserves and surplus****(₹ in lakhs)**

<b>Particulars</b>	<b>As at 31st July, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
<b>A. Securities premium account</b>				
Balance at the beginning of the period / year	878.40	878.40	878.40	878.40
Add : On shares issued	-	-	-	-
Less : Issue of Bonus Shares	-	-	-	-
<b>Balance at the end of the period/year</b>	<b>878.40</b>	<b>878.40</b>	<b>878.40</b>	<b>878.40</b>
<b>B. Surplus in the Restated Statement of Profit and Loss</b>				
Balance at the beginning of the period/year	91.68	-337.49	-429.26	-394.80
Add / Less :-Prior Period Expense/ Income	-	-	-	-
Less : Issue of Bonus Shares	-	-	-	-
Add : Transferred from the Restated Statement of Profit and Loss	162.80	429.17	91.76	-34.46
<b>Balance at the end of the period/year</b>	<b>254.48</b>	<b>91.68</b>	<b>-337.49</b>	<b>-429.26</b>
<b>Total (A+B)</b>	<b>1132.88</b>	<b>970.08</b>	<b>540.91</b>	<b>449.14</b>

**Note:**

- 1 The Figures disclosed above are based on the statement of assets and liabilities of the company
- 2 The above statement should be read with the restated statement of assets & liabilities, Restated statement of Profit & Loss, Restated statement of Cashflow, significant accounting policies & notes to restated statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

## Annexure 7: Restated Statement of Long-term / Short-term borrowings

(₹ in lakhs)

Particulars	As at 31st July, 2024		As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Secured</b>								
(a) Loans from Banks	2631.43	2323.74	3056.55	2317.08	4458.08	2280.80	5142.02	1795.83
(b) Commercial Vehicle Loan	-	-	-	-	-	-	-	-
(c) Current Maturity	-995.76	995.76	-1123.18	1123.18	-1267.39	1267.39	-900.18	900.18
<b>Total Secured Borrowings</b>	<b>1635.66</b>	<b>3319.50</b>	<b>1933.37</b>	<b>3440.26</b>	<b>3190.68</b>	<b>3548.19</b>	<b>4241.85</b>	<b>2696.01</b>
<b>Unsecured</b>								
(d) Loans from , Directors, Members, Related Parties, & Inter Corporate Deposit								
From Directors, Members, & Related Parties	4687.63	-	5281.48	-	3116.89	-	2995.52	-
<b>Total Unsecured Borrowings</b>	<b>4687.63</b>	<b>-</b>	<b>5281.48</b>	<b>-</b>	<b>3116.89</b>	<b>-</b>	<b>2995.52</b>	<b>-</b>
<b>Total Borrowings</b>	<b>6323.29</b>	<b>3319.50</b>	<b>7214.85</b>	<b>3440.26</b>	<b>6307.57</b>	<b>3548.19</b>	<b>7237.36</b>	<b>2696.01</b>

**Annexure 7.1: Restated Statement of Long- term / Short-term borrowings**

Sr. No.	Name of Lender	Sanction Date	Nature of Loan	Rate of Interest	Securities Offered	Repayment Terms	Sanction Amount	Amount Outstanding as on 31.07.2024	Amount Outstanding as on 31.03.2024
1	Bank of Baroda	27.09.2021	CC	11.50%	<p><b>Primary Securities Offered:</b></p> <p>1. Working Capital: First pari passu charge by way of Hypothecation on all current assets of the Company, both present and future.</p> <p>2. Term Loan: First pari passu charge on the below Collateral Security on immovable assets.</p> <p><b>Collateral Securities offered:</b></p> <p>Personal Guarantee given by Mukesh Babariya, Ashok Babariya, Gulabben Babariya, Nitin Babariya, Dhanji Patel, Parshottam Babariya, Mahesh Babariya and Heena Babariya.</p> <p>Collateral Securities includes land and plant, with factory land and a building covering 32,854 square meters owned by 3B Films Pvt Ltd. Residential properties consist of a 4 BHK flat at 904 Milestone, Vasna Bhayli Road, Vadodara, covering 5,400 square feet, owned by Mr. Ashokbhai Babariya, and an open plot at VIVOCITY OW, Plot A3, Vaghodia Road, Vadodara, covering 17,260.72 square feet, also owned by Mr. Ashokbhai Babariya. Additional open plots at VIVOCITY, Vadodara, include the following: Plot No. 19 (5,109 square feet), Plot No. 134 (1,883 square feet), Plot No. 135 (1,648 square feet), Plot No. 143 (5,873 square feet), Plot No. 149 (1,804 square feet), Plot No. 164 (2,030 square feet), Plot No. 165 (1,819 square feet), Plot No. 166 (2,007 square feet), Plot No. 168 (2,096 square feet), and Plot No. 174 (1,883 square feet), all owned by Mr. Ashokbhai Babariya.</p> <p>There are exclusive charges with the Central Bank of India, including an open plot at VIVOCITY OP-1 Paikki A2, owned by Mrs. Heena A Babariya, an open plot at RIO COLINA, Moje: Ghala, Dist: Surat, owned by Mr. Mukeshbhai Babariya, and a flat at City Corner A-402, Vasna Bhayli Road, Vadodara, owned by Mrs. Heena A Babariya.</p> <p>Additionally, exclusive charges with the Bank of Baroda include flats on Vasna Bhayli Road, Vadodara: City Point C-204 and City Point C-304, each 1,200 square feet, owned by Mr. Ashokbhai Babariya; Marvel H-204, 1,680 square feet, and Marvel H-502 with an open terrace, 1,850 square feet, both owned by Mr. Ashokbhai Babariya; and Milestone 701, 2,440 square feet, owned by Mr. Nitinbhai D Babariya. Land at Masar RS No: 1245, 1246, covering 8,552 square meters, is owned by 3B Films Pvt Ltd.</p> <p>Furthermore, there are several open plots on Mota Varachha Road, Surat, owned by Mr. Dhanjibhai Naranbhai Patel, including 5-Rivera Bungalow Plot (1,229.67 square feet), 7-Rivera Bungalow Plot (1,289.16 square feet), 22-Rivera Bungalow Plot (1,614.42 square feet), 60-Rivera Bungalow Plot (1,589.85 square feet), 78-Rivera Bungalow Plot (1,614.42 square feet), and 98-Rivera Bungalow Plot (1,614.42 square feet). Several shops on Mota Varachha Road, Surat, owned by Mr. Ashokbhai Babariya include 2-Rivera Height GF Shop (350.05 square feet), 6-Rivera Height GF Shop (451.33</p>	-	800	809.40	809.10
3		27.09.2021	Term Loan-II	11.50%		Apr-27	2,787	1585.20	1787.39
4		30.03.2022	AWCTL UNDER BGECLS 2.0	9.25%		Mar-28	975	893.76	975.00
5		27.09.2021	AWCTL UNDER BGECLS	9.25%		Oct-24	137	15.36	30.73
6		27.09.2021	BG	-		-	-	0.00	0.00
7	Central Bank of India	28.02.2022	CC	9.40%		-	1,500	1514.33	1507.98
8		28.02.2022	Term Loan-1	9.70%		Mar-24		0.00	55.96
9		28.02.2022	Term Loan-GECL	9.25%		Jul-24	331	0.00	56.10
10		28.02.2022	Term Loan-GECL Extn	9.25%		Dec-26	169	137.10	151.38
12		28.02.2022	BG	-		-	-	0.00	0.00

## Annexure 9.1: Restated Statement of Provisions

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Accounting Standard (AS) – 15 issued by ICAI is Mandatory. The Company has accounted for Long Term employee Benefits based on Actuarial Valuation report. The Company has accounted for employee benefits

				(₹ in lakhs)
Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Valuation Results</b>				
Defined Benefit Obligation	21.71	21.94	16.74	
Funding Status	Funded	Funded	Funded	N.A
Fund Balance	27.55	25.21	20.44	
Current Liability	-5.84	-3.27	-3.70	
Non-Current Liability	0	0	0	
<b>Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period</b>				
Actuarial (Gains)/Losses on Obligation For the Period	-1.93	.00	-.78	
Actuarial (Gains)/Losses on Plan Asset For the Period	.61	-.19	-.19	
Subtotal	-1.32	-.19	-.97	
<b>Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss</b>	<b>-1.32</b>	<b>-.19</b>	<b>-.97</b>	
<b>Actual Return on Plan Assets</b>				
Expected Return on Plan Assets	.61	1.54	1.10	
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	-.61	.19	.19	
Actual Return on Plan Assets	-	1.73	1.28	
<b>Amount Recognized in the Balance Sheet</b>				
(Present Value of Benefit Obligation at the end of the Period)	-21.70	-21.94	-16.74	
Fair Value of Plan Assets at the end of the Period	27.55	25.21	20.44	
Funded Status (Surplus/ (Deficit))	5.85	3.27	3.70	
Unrecognized Past Service Cost at the end of the Period	-	.00	.00	
Net (Liability)/Asset Recognized in the Balance Sheet	5.85	3.27	3.70	
<b>Expenses Recognized in the Statement of Profit or Loss for Current Period</b>				
Current Service Cost	1.58	4.34	4.08	
Net Interest Cost	-.08	-.28	-.12	
Actuarial (Gains)/Losses	-1.32	-.19	-.97	
Past Service Cost - Non-Vested Benefit Recognized During the	-	.00	.00	
Past Service Cost - Vested Benefit Recognized During the Period	-	.00	.00	
(Expected Contributions by the Employees)	-	.00	.00	
(Gains)/Losses on Curtailments And Settlements	-	.00	.00	
Net Effect of Changes in Foreign Exchange Rates	-	.00	.00	
Change in Asset Ceiling	-	.00	.00	
Expenses Recognized in the Statement of Profit or Loss	.17	3.87	2.99	
<b>Balance Sheet Reconciliation</b>				
Opening Net Liability	-3.27	-3.70	-1.63	
Expense Recognized in Statement of Profit or Loss	.17	3.87	2.99	
Net Liability/(Asset) Transfer In	-	.00	.00	
Net (Liability)/Asset Transfer Out	-	.00	.00	
(Benefit Paid Directly by the Employer)	-	.00	.00	
(Employer's Contribution)	-2.75	-3.44	-5.06	
Net Liability/(Asset) Recognized in the Balance Sheet	-5.85	-3.27	-3.70	
<b>Experience Adjustment</b>				
Actuarial (Gains)/Losses on Obligations - Due to Experience	-2.19	-.63	-.25	
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	-.61	.19	.19	
<b>Valuation Assumptions</b>				
Expected Return on Plan Assets	7.11%	7.23%	7.52%	
Rate of Discounting	7.11%	7.23%	7.52%	
Rate of Salary Increase	7.00%	7.00%	7.00%	
Rate of Employee Turnover	5.00%	5.00%	5.00%	
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	
<b>Other Details</b>				
No of Members in Service	62	64	65	
Per Month Salary For Members in Service	9.85	10.15	10.31	
Defined Benefit Obligation (DBO) - Total	21.70	21.94	16.74	
Defined Benefit Obligation (DBO) - Due but Not Paid	-	.00	.00	
Expected Contribution in the Next Year	-	1.45	.63	

**Annexure 11: Restated Statement of Trade payables**

	(₹ in lakhs)			
Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Dues of micro and small enterprises (refer note below)	56.78	103.85	492.52	336.95
Dues to others	585.99	484.34	315.50	303.99
<b>Total</b>	<b>642.77</b>	<b>588.19</b>	<b>808.02</b>	<b>640.94</b>

**Annexure 11.1: Trade payables ageing schedule**

	(₹ in lakhs)			
Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Disputed Dues</b>	-	-	-	-
<b>Undisputed Dues</b>				
<b>(a) Micro, Small &amp; Medium Enterprise</b>				
Less than 1 year	-	-	-	-
1 to 2 years	-	-	-	-
2 to 3 years	-	-	-	-
More than 3 Years	-	-	-	-
<b>(b) Other</b>				
Less than 1 year	626.64	536.11	800.55	634.48
1 to 2 years	11.80	24.60	1.21	5.24
2 to 3 years	3.97	21.67	5.05	1.21
More than 3 Years	-	5.80	1.21	-

**Note: Micro and Small Enterprises**

- 1 The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:
  - i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
  - ii. Interest paid during the period / year to MSME.
  - iii. Interest payable at the end of the accounting period / year to MSME.
  - iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.
- 2 Management believes that the figures for disclosures, if any, will not be significant.
- 2 Trade Payables as on 31st July, 2024 has been taken as certified by the management of the company

**Annexure 12: Restated Statement of Other Current Liabilities**

	(₹ in lakhs)			
Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Other Current Liabilities</b>				
Advances Received From Customers	284.23	5.62	5.00	29.28
Statutory Dues Payable	44.72	52.15	31.30	4.56
<b>Total</b>	<b>328.95</b>	<b>57.77</b>	<b>36.30</b>	<b>33.84</b>

**Notes:**

- 1 Advance received from the customers have been taken as certified by the management of the company and no security has been offered by the company against the same.
- 2 The figures disclosed above are based on the restated statement of assets & liabilities of company.
- 3 The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.



**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**
**Annexure 8: Deferred Tax Assets/Liabilities**
**(₹ in lakhs)**

Particulars	As at 31 July, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b><u>Deferred Tax Assets &amp; Liabilities Provision</u></b>				
WDV As Per Companies Act 2013	7708.26	7737.32	7752.04	7996.05
WDV As Per Income Tax Act	4152.66	4408.11	4852.11	5592.78
<b>Difference in WDV</b>	<b>3555.60</b>	<b>3329.21</b>	<b>2899.93</b>	<b>2403.26</b>
Gratuity Provision	-	-	-	-
Unabsorbed Depreciation & Business Loss	3157.08	3146.19	3300.48	2972.31
Adjustment on account of Section 28 to 44 DA				
Income tax Act, 1961				
<b>Total Timming Differene</b>	<b>398.53</b>	<b>183.01</b>	<b>-400.54</b>	<b>-569.04</b>
Tax Rate as per Income Tax	25.17%	25.17%	25.17%	25.17%
(DTA) / DTL	100.30	46.06	-100.81	-143.22
<b><u>Deferred Tax Assets &amp; Liabilities</u></b>				
<b>Opening Balance of (DTA) / DTL</b>	46.06	-100.81	-143.22	-122.13
Add: Provision for the Year	54.24	146.87	42.41	-21.09
Closing Balance of (DTA) / DTL	<b>100.30</b>	<b>46.06</b>	<b>-100.81</b>	<b>-143.22</b>

**Note:**

In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Laibilities (net of Assets) is provided in the books of account as at the end of the year/ (period)

**Annexure 9: Restated Statement of Other long-term liabilities**
**(₹ in lakhs)**

Particulars	As at 31 July, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
Other Long term Liabilities	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure 10: Restated Statement of Provisions**
**(₹ in lakhs)**

Particulars	As at 31 July, 2024		As at 31 March, 2024		As at 31 March, 2023		As at 31 March, 2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Provision for employee benefits:</b>								
Provision for Gratuity & Leave Encashment	21.71		21.94		16.74		-	-
Provision for Expenses	-	26.56	-	23.27	-	24.66	-	37.44
Provision for Professional Fees	-	-	-	-	-	-	-	-
Provision For Income Tax	-	-	-	-	-	-	-	-
	<b>21.71</b>	<b>26.56</b>	<b>21.94</b>	<b>23.27</b>	<b>16.74</b>	<b>24.66</b>	<b>-</b>	<b>37.44</b>

**Note:**

1 The figures disclosed above are based on the restated statement of assets & liabilities of company.

2 The above statement shold be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

3B Films Ltd. (Formerly known as 3B Films Private Ltd)

Annexure 13: Restated Statement of Property, Plant and Equipment

(₹ in lakhs)

Gross block	Land	Building	Computer	Electrical Installation	Furniture & Fittings	Lab Equipments	Motor Vehicles	Office Equipments	Plant & Machinery	Software	Product Development	Total
<b>Balance as at 31 March 2020</b>	<b>388.22</b>	<b>624.69</b>	<b>15.09</b>	<b>1.07</b>	<b>52.11</b>	<b>28.29</b>	<b>120.96</b>	<b>32.22</b>	<b>3838.11</b>	<b>77.28</b>	-	<b>5178.04</b>
Additions	-	137.73	.80	60.74	.50	-	-	5.59	4039.41	24.64	-	4269.41
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>388.22</b>	<b>762.42</b>	<b>15.89</b>	<b>61.81</b>	<b>52.61</b>	<b>28.29</b>	<b>120.96</b>	<b>37.82</b>	<b>7877.52</b>	<b>101.92</b>	-	<b>9447.45</b>
Additions	-	20.40	-	-	-	-	-	.57	16.10	-	-	37.07
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>388.22</b>	<b>782.82</b>	<b>15.89</b>	<b>61.81</b>	<b>52.61</b>	<b>28.29</b>	<b>120.96</b>	<b>38.38</b>	<b>7893.62</b>	<b>101.92</b>	-	<b>9484.52</b>
Additions	-	33.24	.48	-	1.43	-	18.78	2.64	26.13	-	-	82.71
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>388.22</b>	<b>816.06</b>	<b>16.37</b>	<b>61.81</b>	<b>54.05</b>	<b>28.29</b>	<b>139.73</b>	<b>41.03</b>	<b>7919.75</b>	<b>101.92</b>	-	<b>9567.23</b>
Additions	-	13.74	.32	-	-	-	-	.77	-	-	282.14	296.97
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March, 2024</b>	<b>388.22</b>	<b>829.80</b>	<b>16.69</b>	<b>61.81</b>	<b>54.05</b>	<b>28.29</b>	<b>139.73</b>	<b>41.79</b>	<b>7919.75</b>	<b>101.92</b>	<b>282.14</b>	<b>9864.19</b>
Additions	-	-	-	-	-	-	-	-	-	-	87.59	87.59
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 July, 2024</b>	<b>388.22</b>	<b>829.80</b>	<b>16.69</b>	<b>61.81</b>	<b>54.05</b>	<b>28.29</b>	<b>139.73</b>	<b>41.79</b>	<b>7919.75</b>	<b>101.92</b>	<b>369.73</b>	<b>9951.78</b>
<b>Accumulated depreciation and amortisation</b>												
<b>Balance as at 31 March 2020</b>	-	<b>59.37</b>	<b>13.71</b>	<b>.17</b>	<b>12.33</b>	<b>8.06</b>	<b>39.06</b>	<b>13.82</b>	<b>373.06</b>	<b>45.65</b>	-	<b>565.23</b>
Depreciation charge	-	20.24	.48	.61	4.98	2.69	14.37	6.64	149.95	15.94	-	215.89
Deduction/ Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	-	<b>79.61</b>	<b>14.19</b>	<b>.78</b>	<b>17.31</b>	<b>10.75</b>	<b>53.43</b>	<b>20.46</b>	<b>523.00</b>	<b>61.59</b>	-	<b>781.12</b>
Depreciation charge	-	20.01	.91	5.87	4.24	2.69	14.37	7.19	247.75	16.11	-	319.13
Reversal on disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	-	<b>99.61</b>	<b>15.09</b>	<b>6.65</b>	<b>21.55</b>	<b>13.44</b>	<b>67.80</b>	<b>27.65</b>	<b>770.76</b>	<b>77.70</b>	-	<b>1100.25</b>
Depreciation charge	-	20.94	.96	5.87	4.32	2.69	14.37	7.48	253.97	16.11	-	326.71
Deduction/ Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	-	<b>120.55</b>	<b>16.06</b>	<b>12.52</b>	<b>25.87</b>	<b>16.13</b>	<b>82.17</b>	<b>35.13</b>	<b>1024.72</b>	<b>93.81</b>	-	<b>1426.96</b>
Depreciation charge	-	21.34	.05	5.87	4.38	2.69	14.37	3.35	256.62	3.02	.00	311.69
Deduction/ Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	-	<b>141.89</b>	<b>16.11</b>	<b>18.39</b>	<b>30.25</b>	<b>18.81</b>	<b>96.54</b>	<b>38.49</b>	<b>1281.34</b>	<b>96.82</b>	<b>.00</b>	<b>1738.66</b>
Depreciation charge	-	7.22	-	1.96	1.46	.90	4.79	.37	85.54	-	14.41	116.65
Deduction/ Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 July 2024</b>	-	<b>149.12</b>	<b>16.11</b>	<b>20.35</b>	<b>31.71</b>	<b>19.71</b>	<b>101.33</b>	<b>38.86</b>	<b>1366.88</b>	<b>96.82</b>	<b>14.41</b>	<b>1855.30</b>
<b>Net block</b>												
<b>Balance as at 31 March 2021</b>	<b>388.22</b>	<b>682.81</b>	<b>1.70</b>	<b>61.03</b>	<b>35.31</b>	<b>17.54</b>	<b>67.53</b>	<b>17.35</b>	<b>7354.52</b>	<b>40.32</b>	-	<b>8666.33</b>
<b>Balance as at 31 March 2022</b>	<b>388.22</b>	<b>683.21</b>	<b>.79</b>	<b>55.16</b>	<b>31.06</b>	<b>14.85</b>	<b>53.16</b>	<b>10.73</b>	<b>7122.86</b>	<b>24.22</b>	-	<b>8384.27</b>
<b>Balance as at 31 March 2023</b>	<b>388.22</b>	<b>695.51</b>	<b>.31</b>	<b>49.28</b>	<b>28.18</b>	<b>12.17</b>	<b>57.57</b>	<b>5.89</b>	<b>6895.03</b>	<b>8.11</b>	-	<b>8140.26</b>
<b>Balance as at 31 March 2024</b>	<b>388.22</b>	<b>687.91</b>	<b>.58</b>	<b>43.41</b>	<b>23.80</b>	<b>9.48</b>	<b>43.20</b>	<b>3.30</b>	<b>6638.41</b>	<b>5.10</b>	<b>282.14</b>	<b>8125.54</b>
<b>Balance as at 31 July 2024</b>	<b>388.22</b>	<b>680.68</b>	<b>.58</b>	<b>41.46</b>	<b>22.34</b>	<b>8.58</b>	<b>38.41</b>	<b>2.93</b>	<b>6552.87</b>	<b>5.10</b>	<b>355.32</b>	<b>8096.48</b>

1 The figures disclosed above are based on the restated statement of assets & liabilities of company.

2 The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**
**Annexure 14 : Non Current Investments**
**(₹ in lakhs)**

Particulars	As at 31st July, 2024		As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Total</b>	-	-	-	-	-	-	-	-

1 The figures disclosed above are based on the restated statement of assets & liabilities of company.

2 The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 15: Restated Statement of Loans and advances**
**(₹ in lakhs)**

Particulars	As at 31st July, 2024		As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<u>Balance with Government Authorities</u>	-	5.34	-	4.86	-	5.68	-	160.72
<u>Unsecured, considered good unless stated otherwise</u>								
Security Deposits	3.44	-	.30	-	1.33	-	1.33	-
Advance to Others	-	17.48	-	5.08	-	.44	-	.86
<b>Total</b>	<b>3.44</b>	<b>22.82</b>	<b>.30</b>	<b>9.94</b>	<b>1.33</b>	<b>6.11</b>	<b>1.33</b>	<b>161.58</b>

**Note :-**

1 Advance given to suppliers have been taken as certified by the management of the company

2 No Securites have been taken by the company against advances given to suppliers.

3 The figures disclosed above are based on the restated statement of assets & liabilities of company

4 The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 16 : Other Assets**
**(₹ in lakhs)**

Particulars	As at 31st July, 2024		As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
Accrued Interest	-	32.03	-	32.03	-	102.17	-	122.44
Gratuity Investments	27.55	-	25.21	-	20.44	-	15.50	-
Advance for Capital Goods (Note-3)	258.27	-	257.12	-	256.20	-	245.06	-
	<b>285.82</b>	<b>32.03</b>	<b>282.33</b>	<b>32.03</b>	<b>276.64</b>	<b>102.17</b>	<b>260.55</b>	<b>122.44</b>

**Note :-**

1 The figures disclosed above are based on the restated statement of assets & liabilities of company

2 The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to

3 Advances for capital goods have been made for the purchase of machinery based on the company's requirement:

**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**
**Annexure 17: Restated Statement of Inventories**
**(₹ in lakhs)**

Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
a. Raw Materials and components	3180.22	3130.96	2879.48	1897.13
b. Work-in-progress	502.41	442.37	337.33	460.27
c. Finished goods	402.37	332.56	392.65	346.40
d. Stores and spares & Packing Materials	1088.74	1077.38	686.54	511.53
e. Scrap Material	-	-	-	-
	<b>5173.74</b>	<b>4983.26</b>	<b>4296.00</b>	<b>3215.32</b>

**Annexure 18: Restated Statement of Trade Receivables**
**Rs. In Lakhs**

Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b><u>Undisputed -Considered Good</u></b>				
<b><u>1. From Directors/ Promoters / Promotor</u></b>				
<b><u>Group / Associates / Relative of Directors /</u></b>				
<b>Group Companies</b>				
Over Six Months	-	-	-	-
Others	-	-	-	-
	-	-	-	-
<b>2. From Others</b>				
Less than Six Months	351.47	937.36	427.72	536.29
6 Months to 1 Year	4.08	19.13	1.28	33.53
1 Year to 2 Years	-	-	-	-
2 Years to 3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-
(iv) Disputed – considered good	-	-	-	-
(v) Disputed – considered doubtful	-	-	-	-
(vi) Disputed– credit impaired	-	-	-	-
<b>Total</b>	<b>355.56</b>	<b>956.49</b>	<b>429.01</b>	<b>569.82</b>

**Note :-**

- As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful debts have not been made.
- Trade Receivables as on 31st July, 2024 has been taken as certified by the Management of the Company.
- The figures disclosed above are based on the restated statement of assets & liabilities of company.  
The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 19: Restated Statement of Cash and Cash Equivalent****Rs. In Lakhs**

<b>Particulars</b>	<b>As at 31st July, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
<b>Cash and cash equivalents</b>				
Cash on hand	2.11	2.16	1.50	.80
<b>Balances with Banks</b>				
In Current Accounts	7.15	53.55	13.53	241.89
In Fixed Deposit	38.81	38.81	37.02	115.50
<b>Total</b>	<b>48.07</b>	<b>94.53</b>	<b>52.06</b>	<b>358.20</b>

**Note :-**

<sup>1</sup> The figures disclosed above are based on the restated statement of assets & liabilities of company.

The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 20: Restated Statement of Revenue from operations** (₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Revenue from operations</b>				
Sale of products				
Net Sales of Goods	1613.40	7574.89	7179.90	6737.79
Net Sales of Services	-	-	-	-
<b>Total</b>	<b>1613.40</b>	<b>7574.89</b>	<b>7179.90</b>	<b>6737.79</b>

**Annexure 20.1: Productwise Revenue Bifurcation** (₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Metalised CPP/CPE	868.89	2755.11	4521.62	4205.27
Natural CPP/CPE	435.18	1722.53	1820.16	1606.78
White Opec CPP	22.92	164.17	366.44	192.41
Adhesive Laminate Films		2259.34		
Granules	135.95	464.44	328.27	457.00
Others	150.46	209.30	143.41	276.34
<b>Total</b>	<b>1613.40</b>	<b>7574.89</b>	<b>7179.90</b>	<b>6737.79</b>

**Annexure 20.2: Geographywise Revenue Bifurcation** (₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Statewise bifurcation</b>				
Puducherry	53.23	239.55	454.95	592.82
Andra Pradesh	-	122.74	-	115.52
Assam	-	-	-	-
Dadra & Nagar Haveli And Daman & Diu	45.80	318.29	252.62	351.76
Delhi	-	.20	106.86	22.42
Goa	14.28	18.62	-	-
Gujarat	952.92	4119.60	2585.11	2286.27
Haryana	18.45	84.36	407.10	169.20
Jammu & Kashmir	-	148.81	138.07	103.25
Karnataka	.03	-	-	.03
Madhya Pradesh	.02	81.34	210.41	-
Maharashtra	14.67	38.41	84.80	40.78
Nagpur	-	13.04	-	-
Punjab	-	-.55	10.99	-
Rajasthan	.15	25.52	17.67	115.65
Tamil Nadu	3.94	.02	6.67	.41
Telangana	-	74.31	243.87	940.14
Uttar Pradesh	-	-	921.09	118.27
Uttarakhand	-	128.19	132.32	285.12
West Bengal	-	.02	9.74	80.30
<b>Total Domestic Revenue</b>	<b>1103.48</b>	<b>5412.47</b>	<b>5582.28</b>	<b>5221.93</b>
<b>Foreign Countrywise</b>				
Hong Kong	-	-	-	29.87
Italy	-	-	2.24	.61
Nepal	-	40.39	440.55	352.90
Scotland	-	-	-	-
Sri Lanka	224.78	518.07	545.03	586.96
UAE	134.57	484.77	317.92	545.52
UK	150.58	1119.10	291.82	-
<b>Total Export Revenue</b>	<b>509.92</b>	<b>2162.41</b>	<b>1597.62</b>	<b>1515.86</b>

<b>Revenue from operations</b>	<b>1613.40</b>	<b>7574.89</b>	<b>7179.90</b>	<b>6737.79</b>
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**Annexure 20.3: Manufacturing and Trading Revenue Bifurcation** (₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Details of Sales of Products - Trading</b>	-	2259.34	-	-
<b>Details of Sales of Products - Manufacturing</b>	1613.40	5315.54	7179.90	6737.79
<b>Details of Service Income</b>				
<b>Total</b>	<b>1613.40</b>	<b>7574.89</b>	<b>7179.90</b>	<b>6737.79</b>

1 The figures disclosed above are based on the restated statement of Profit & Loss of the company .

The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.



**Annexure 21: Restated Statement of Other Income**

(₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Other Non Operating Income</b>				
Foreign Exchange Gain	11.99	49.50	66.92	34.49
Duty Drawback	-	1.14	-	1.04
Interest Income	-	2.26	2.15	1.98
Other Income	2.32	6.66	5.80	1.46
Electricity Duty	-	-	-	-
Discount	3.21	4.06	27.16	10.17
Insurance Claim Received	-	1.29	-	20.27
<b>Total</b>	<b>17.51</b>	<b>64.90</b>	<b>102.03</b>	<b>69.41</b>
<b>Profit before tax</b>	<b>217.04</b>	<b>576.04</b>	<b>134.17</b>	<b>-54.09</b>
<b>% of other income to profit before tax</b>	<b>8.07%</b>	<b>11.27%</b>	<b>76.04%</b>	<b>-128.32%</b>

**Note:**

- The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.
- The figures disclosed above are based on the restated statement of Profit & Loss of the company .  
The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 22: Cost of Material Consumed**

(₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Opening Stock	3130.96	2879.48	1897.13	1085.85
Add: Purchases	456.49	1366.75	3601.80	4082.75
Add: Import Purchases	518.10	2199.05	2285.89	1770.10
Less:- Interbranch Purchase				
Less: Closing Stock	3180.22	3130.96	2879.48	1897.13
<b>Total</b>	<b>925.32</b>	<b>3314.32</b>	<b>4905.34</b>	<b>5041.56</b>

**Annexure 23: Purchase of Stock-In-Trade**

(₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Purchase of Stock-In- Trade		2071.97		
Less:- Interbranch Purchase				
<b>Total</b>	<b>-</b>	<b>2071.97</b>	<b>-</b>	<b>-</b>

- The figures disclosed above are based on the restated statement of Profit & Loss of the company .
- The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4

**Annexure 24: Changes in Inventory of Stock in Trade**

(₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Inventories at the end of year</b>				
Finished Goods	402.37	332.56	392.65	346.40
Work-in-Progress	502.41	442.37	337.33	460.27
Packing Material	219.36	215.22	195.29	165.83
Stores & Spare Parts	869.38	862.16	491.25	345.70
Scrap Material	-	-	-	-
<b>Inventories at the Beginning of the Year</b>				
Finished Goods	332.56	392.65	346.40	191.11
Work-in-Progress	442.37	337.33	460.27	372.69
Packing Material	215.22	195.29	165.83	91.18
Stores & Spare Parts	862.16	491.25	345.70	175.39
Scrap Material	-	-	-	90.91
<b>Net (Increase)/Decrease</b>	<b>-141.21</b>	<b>-435.79</b>	<b>-98.32</b>	<b>-396.92</b>

**Annexure 25: Restated Statement of Employee Benefits Expense**

(₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Salaries and Wages	92.32	269.38	284.52	266.85
Provident Fund Contributions & Gratuity	5.54	28.23	19.32	29.19
Staff Welfare	14.46	39.88	42.35	40.36
<b>Total</b>	<b>112.32</b>	<b>337.49</b>	<b>346.20</b>	<b>336.40</b>

- The figures disclosed above are based on the restated statement of Profit & Loss of the company .  
The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 26: Restated Statement of Finance Costs**

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b><u>Interest expense:</u></b>				
Interest on Loans from Banks	192.92	618.73	574.73	558.23
Bank Commission & Charges	7.88	52.77	44.15	38.61
Interest on Statutory Payments	3.89	4.67	12.89	6.30
	<b>204.69</b>	<b>676.17</b>	<b>631.78</b>	<b>603.14</b>

- 1 The figures disclosed above are based on the restated statement of Profit & Loss of the company .  
The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated
- 2 statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**
**Annexure 27: Restated Statement of Other Expenses**
**(₹ in lakhs)**

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Manufacturing \ Direct Expenses</b>				
Freight, Octroi & Transportation	10.89	72.95	147.05	120.42
Electricity Expense	108.57	425.43	568.14	446.50
Factory Expense	3.17	8.94	9.54	12.02
Custom Clearance Charges	31.21	130.66	111.56	126.40
Custom Duty	13.70	21.18	17.69	89.36
Detention Charges	-	-	-	3.70
<b>Total</b>	<b>167.55</b>	<b>659.16</b>	<b>853.98</b>	<b>798.40</b>
<b>Administrative, Selling and Other Expenses</b>				
Audit Fees	.50	1.15	1.00	1.00
Donation / CSR	-	2.00	14.20	5.42
Application Fees	.05	22.68	12.06	3.23
Computer Expense	.21	1.70	2.39	1.40
Insurance Premium	7.40	20.17	30.95	23.53
Legal, Professional, License & Filing Fees	2.24	25.79	46.32	22.54
Office Expenses & Rent	.47	-	.81	1.57
Postage Expense	-	3.96	2.06	1.40
Printing & Stationery Expense	.53	2.63	3.56	2.78
Repairs & Maintenance	4.78	13.84	19.79	26.26
Security Service Charges	8.44	22.55	28.01	37.67
Telephone Expense	.76	1.31	2.00	1.58
Travelling Expenses (including Foreign Travelling )	.34	3.53	9.66	11.36
Postage, Courier Rates & Taxes	.88	2.24	1.71	1.09
ROC Expenses	.01			
Rate Difference & Discounts(Net)	-	1.04	-	12.99
HouseKeeping Expense	.43	1.89	1.82	1.32
Membership Fees	.18	-	.36	.44
Advertisement & Sales Promotion Expense	.23	.93	4.39	1.62
Sample Expense	1.11	1.31	.99	2.38
<b>Total</b>	<b>28.56</b>	<b>128.72</b>	<b>182.08</b>	<b>159.58</b>
<b>Grand Total</b>	<b>196.11</b>	<b>787.88</b>	<b>1036.06</b>	<b>957.98</b>

1 The figures disclosed above are based on the restated statement of Profit & Loss of the company .

The above statement should be read with the restated statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated statements as appearing in annexures 1,2,3 & 4 respectively.

## Annexure 28: Restated Statement of Accounting and Other Ratios

(₹ in lakhs except share data)

Sr. no.	Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
A	Net worth, as restated (₹)	3254.88	3092.08	2662.91	2571.14
B	Profit after tax, as restated (₹)	162.80	429.17	91.76	-34.46
<b>Weighted average number of equity shares outstanding during the period/ year</b>					
C	For Basic/Diluted earnings per share (Prior to Bonus Issue)	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
D	For Basic/Diluted earnings per share (Post Bonus Issue)	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
<b>Earnings per share</b>					
E	Basic/Diluted earnings per share prior to bonus issue (₹) (B/C)	0.77	2.02	0.43	-0.16
F	Adjusted Diluted earnings per share after bonus issue (₹) (B/D)	0.77	2.02	0.43	-0.16
G	<b>Return on Net Worth (%) (B/A*100)</b>	<b>5.00%</b>	<b>13.88%</b>	<b>3.45%</b>	<b>-1.34%</b>
H	Number of shares outstanding at the end of the period/ year	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
I	Number of shares outstanding at the end of the period/ year after Bonus Issue	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
J	<b>Net asset value per equity share of ₹ 10 each(A/H)</b>	<b>15.34</b>	<b>14.57</b>	<b>12.55</b>	<b>12.12</b>
K	<b>Net asset value per equity share of ₹ 10 each after Bouns Issue (A/I)</b>	<b>15.34</b>	<b>14.57</b>	<b>12.55</b>	<b>12.12</b>
L	Face value of equity shares (₹)	10.00	10.00	10.00	10.00
M	Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA)	<b>520.86</b>	<b>1499.01</b>	<b>990.63</b>	<b>797.31</b>

## Notes :-

- 1) The ratios have been computed in the following manner
- a) Basic and Diluted earnings per share (₹)

Restated Profit after tax attributable to equity shareholders

Weighted average number of equity shares outstanding during the period/year

- b) Return on net worth (%) =

Restated Profit after tax

Restated Net worth as at period/ year end

- c) Net asset value per share (₹)

Restated Net Worth as at period/ year end

Total number of equity shares as at period/ year end

- 2) The figures disclosed above are based on the Restated Financial Information of the Company.
- 3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year
- 4) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Statement of Profit and Loss).
- 5) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4
- 6) Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA) = Profit before Tax + Finance Cost + Depreciation - Other Income

## Annexure 29: Statement of Tax Shelter

(₹ in lakhs)

Particulars	Period Ended 31st July, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Profit before tax, as restated (A)</b>	217.04	576.04	134.17	-54.09
Tax rate (%) (B)	25.17%	25.17%	25.17%	25.17%
<b>Tax expense at nominal rate [C= (A*B)]</b>	<b>54.63</b>	<b>144.98</b>	<b>33.77</b>	<b>-13.61</b>
<b>Adjustments</b>				
<b>Permanent differences</b>				
Other Adjustments	-	-	-	-
Adjustment on account of Section 36 & 37 under Income tax Act, 1961	-	3.41	1.19	-
<b>Total permanent differences (D)</b>	<b>-</b>	<b>3.41</b>	<b>1.19</b>	<b>-</b>
<b>Timing differences</b>				
Depreciation as per Books of Accounts	116.65	311.69	326.71	319.13
Depreciation as per Income Tax	106.78	740.96	823.38	957.19
Difference in Depreciation as per books and as per tax	9.87	-429.27	-496.67	-638.06
Adjustment on account of Section 43B under Income tax Act, 1961	-	-	-	-
Adjustment on account of Section 28 to 44 DA Income tax	-	-	-	5.42
Other Adjustments	.17	2.05	16.57	-20.27
Brought Forward Losses	-	-	-	-
<b>Total timing differences (E)</b>	<b>10.04</b>	<b>-427.22</b>	<b>-480.10</b>	<b>-652.91</b>
<b>Deduction under Chapter VI-A (F)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Income (G=A+E)</b>	<b>227.09</b>	<b>152.24</b>	<b>-344.74</b>	<b>-707.01</b>
<b>Tax on Total income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Brought Forward Loss (ab)</b>	<b>-3149.96</b>	<b>-3302.20</b>	<b>-2957.45</b>	<b>-2250.45</b>
<b>Brought Forward Loss (Utilisation)(ac)</b>	<b>227.09</b>	<b>152.24</b>	<b>-344.74</b>	<b>-707.01</b>
<b>Carried Forward Loss</b>	<b>-2922.87</b>	<b>-3149.96</b>	<b>-3302.20</b>	<b>-2957.45</b>
<b>Less :- Business Loss or Unabsorbed Depre w.e. Lower</b>	<b>-2922.87</b>	<b>-3149.96</b>	<b>-3302.20</b>	<b>-2957.45</b>
<b>Net Income as per MAT</b>	<b>-2705.83</b>	<b>-2573.91</b>	<b>-3168.02</b>	<b>-3011.55</b>
<b>Tax as per MAT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax Expenses= MAT or Normal Provision of Income Tax w.e. is higher</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax paid as per "MAT" or "Normal"provision</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>

## Notes:

1. The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 ( as amended).
2. The permanent/timing differences for the years 31 March 2021,2022 and 2023 have been computed based on the Income-tax returns filed for the respective years after giving adjustments to restatements, if any.
3. Figures for the Period ended 31st July, 2024 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income will be filed for the assessment year 2025-2026 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2025-26
4. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.
5. The above statement should be read with the Statement of Notes to the Financial Information of the Company.

**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**

**Annexure 30: Restated Statement of Capitalization**

Particulars	(₹ in lakhs)	
	Pre Issue	Post Issue
<b>Borrowings</b>		
Short- term	3319.50	[●]
Long- term (A)	6323.29	[●]
<b>Total Borrowings (B)</b>	<b>9642.79</b>	<b>[●]</b>
<b>Shareholders' funds</b>		
Share capital	2122.00	[●]
Reserves and surplus	1132.88	[●]
<b>Total Shareholders' funds (C)</b>	<b>3254.88</b>	<b>[●]</b>
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	<b>1.94</b>	<b>[●]</b>
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>2.96</b>	<b>[●]</b>

\* equity= total shareholders' funds

**Notes:**

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in Short term borrowing).
- 2 The above ratios have been computed on the basis of the Restated Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company

**3B Films Ltd. (Formerly known as 3B Films Private Ltd)****Annexure 31: Related Party Transaction**

Disclosure of transactions with Related Parties, as required by AS 18 “Related Party Disclosures” has been set out below. Related parties as defined under AS 18 have been identified on the basis of representations made by the management and information available with the Company.

Details of related party transactions during the Period ended 31st July,2024 and Year ended 31st March 2024,31st March 2023, 31st March, 2022 and 31st March 2021 and balances outstanding as at 31st July,2024 and Year ended 31st March 2024,31st March 2023, 31st March, 2022 and 31st March 2021.

Sr No.	Nature of Relationship	Names of related parties
1	Promoter, Chairman & Managing Director	Ashok Babariya
2	Promoter & Whole-time Director	Dishank Babariya
3	Promoter & Non-Executive Director	Mukeshbhai Babariya
4	Independent Director	Abhishek Shah
5	Independent Director	Chintan Joshi
6	Independent Director	Drashti Solanki
7	Company Secretary & Compliance Officer	Janki Raj
8	Chief Financial Officer	Dhaval Panchal
9	Promoter	Gulabben Babariya
10	Relative of Promoters/Directors	Nitinbhai Babariya
11	Promoter Group Entities	3B Flexipacks Private Limited
12		Mars Engitech Private Limited
13		Hans Exports

**Details of related party transactions**

x

Sr No.	Particulars	Transaction For Period Ended On 31-07-24	Transaction For Period Ended On 31-03-24	Transaction For Period Ended On 31-03-23	Transaction For Period Ended On 31-03-22
<b>1</b>	<b>Unsecured Loan Taken</b>				
	Ashokbhai Babariya	300.17	913.96	154.44	590.40
	Gulabben Babriya	214.30	597.10	31.00	184.40
	Mukeshbhai Babariya	147.00	562.25	93.85	178.60
	Nitinbhai Babariya	-	165.00	4.60	-
		<b>661.47</b>	<b>2,238.31</b>	<b>283.89</b>	<b>953.40</b>
<b>2</b>	<b>Unsecured Loan Repaid</b>				
	Ashokbhai Babariya	503.00	41.97	72.00	199.25
	Gulabben Babriya	22.65	16.50	21.95	5.45
	Mukeshbhai Babariya	266.17	11.25	59.55	81.50
	Nitinbhai Babariya	463.50	4.00	0.20	2.40
		<b>1,255.32</b>	<b>73.72</b>	<b>153.70</b>	<b>288.60</b>
<b>3</b>	<b>Sales</b>				
	3B Flexipacks Private Limited	115.00	8.05	2.02	54.66
<b>4</b>	<b>Rental Income</b>				
	3B Flexipacks Private Limited	1.89	5.66	4.92	-
<b>5</b>	<b>Purchases</b>				
	3B Flexipacks Private Limited	14.00	23.78	-	-
<b>6</b>	<b>Repair and Maintenance Expense</b>				
	Mars Engitech Private Limited	ES-32 0.05	1.83	1.48	2.79



<b>7</b>	<b>Rental Expense</b>				
	Hans Exports	-	-	1.20	- 0.17
<b>8</b>	<b>Sitting Fees</b>				
	Mukesh Babariya	0.12			
	Abhishek Shah	0.12			
	Chintan Joshi	0.12			
	Drashti Solanki	0.12			
<b>9</b>	<b>Salary</b>				
	Janki Raj	0.68	0.34		
	Dhaval Panchal	1.73	0.86		
<b>Details of Balance Outstanding at the end of Period</b>					
<b>Sr No.</b>	<b>Particulars</b>	<b>Balance as on 31-07-24</b>	<b>Balance as on 31-03-24</b>	<b>Balance as on 31-03-23</b>	<b>Balance as on 31-03-22</b>
<b>1</b>	<b>Unsecured Loan</b>				
	Ashokbhai Babariya	2,524.79	2,727.63	1,855.63	1,773.19
	Gulabben Babriya	989.27	797.62	217.02	207.97
	Mukeshbhai Babariya	896.26	1,115.44	564.44	530.14
	Nitinbhai Babariya	177.30	640.80	479.80	475.40
		<b>4,587.62</b>	<b>5,281.48</b>	<b>3,116.89</b>	<b>2,986.70</b>
<b>2</b>	<b>Trade Receivables</b>				
	3B Flexipacks Private Limited	11.64	73.76	7.77	- 7.47
		<b>11.64</b>	<b>73.76</b>	<b>7.77</b>	<b>- 7.47</b>
<b>3</b>	<b>Trade Payables</b>				
	Mars Engitech Private Limited	1.55	1.49	0.12	0.16
	Hans Exports	1.80	1.80	1.80	1.80
		<b>3.35</b>	<b>3.29</b>	<b>1.92</b>	<b>1.96</b>

**3B Films Ltd. (Formerly known as 3B Films Private Ltd)**

**Annexure 32: Additional Notes**

- A) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease reements are duly executed in favour of the lessee) are held in the name of the Company.
- B) The Company does not have any investment property.
- C) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.
- D) There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31st July 2024:
- (i) repayable on demand; or,
  - (ii) without specifying any terms or period of repayment.
- E) The Company has Capital Work in Progress during the 31st July, 2024
- F) The Company has Intangible Assets under development as on 31st July, 2024.
- G) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- H) The company is not declared willful defaulter by any bank or financial institution or other lender.
- I) The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- J) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- K) 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 otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- L) 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- M) No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.
- N) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- O) The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company for the period ended on 31st July, 2024.

Sr No.	Particulars	As at 31st July, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	Explanation for any change in Ratio by More than 25% as compared to P.Y	Explanation for any change in Ratio by More than 25% as compared to P.Y	Explanation for any change in Ratio by More than 25% as compared to P.Y
		1	2	3	4	(1-2)/(2)	(2-3)/(3)	(3-4)/(4)
1	<b>Current Ratio (in times)</b>							
	Current Assets	5632.22	6076.25	4885.35	4427.36	Not Applicable	Increase in current ratio is due to improvement in accumulation of current assets and during the year	Not Applicable
	Current Liabilities	4317.78	4109.49	4417.17	3408.22			
	<b>Current Ratio</b>	<b>1.30</b>	<b>1.48</b>	<b>1.11</b>	<b>1.30</b>	<b>-11.78%</b>	<b>33.69%</b>	<b>-14.86%</b>
2	<b>Debt-Equity Ratio (in times)</b>							
	Total Debts	9642.79	10655.12	9855.76	9933.37	Not Applicable	Not Applicable	Not Applicable
	Share Holder's Equity + RS	3254.88	3092.08	2662.91	2571.14			
	<b>Debt-Equity Ratio</b>	<b>2.96</b>	<b>3.45</b>	<b>3.70</b>	<b>3.86</b>	<b>-14.03%</b>	<b>-6.90%</b>	<b>-4.20%</b>
3	<b>Debt Service Coverage Ratio (in times)</b>							
	Earning available for debt service	520.86	1499.01	990.63	797.31	Not Comparable the stubs period is of Four months only	Increase in EBITDA during the year has led to improvement in DSCR	Increase in EBITDA during the year has led to improvement in DSCR
	Interest + Installment	313.07	1065.51	985.58	993.34			
	<b>Debt Service Coverage Ratio</b>	<b>1.66</b>	<b>1.41</b>	<b>1.01</b>	<b>0.80</b>	<b>18.26%</b>	<b>39.97%</b>	<b>25.22%</b>
4	<b>Return on Equity Ratio (in %)</b>							
	Net Profit After Tax	162.80	429.17	91.76	-34.46	Not Comparable the stubs period is of Four months only	Increase is due to increase in earnings	Decrease is due to operational inefficiencies and higher cost of expenses during the year
	Share Holder's Equity	3173.48	2877.49	2617.02	2588.37			
	<b>Return on Equity Ratio</b>	<b>5.13%</b>	<b>14.91%</b>	<b>3.51%</b>	<b>-1.33%</b>	<b>-65.60%</b>	<b>325.36%</b>	<b>-363.40%</b>
5	<b>Inventory Turnover Ratio (in times)</b>							
	Cost of Goods Sold	784.11	6385.52	6519.68	6258.16	Not Comparable the stubs period is of Four months only	Not Applicable	Decrease is due to lower sales growth leading to potential inefficiencies
	Average Inventory	5078.50	4639.63	3755.66	2611.22			
	<b>Inventory turnover ratio</b>	<b>0.15</b>	<b>1.38</b>	<b>1.74</b>	<b>2.40</b>	<b>-88.78%</b>	<b>-20.72%</b>	<b>-27.57%</b>
6	<b>Trade Receivables Turnover Ratio (in times)</b>							
	Net Credit Sales	1613.40	7574.89	7179.90	6737.79	Not Comparable the stubs period is of Four months only	Not Applicable	Increase is due to improved collection efforts, leading to faster turnover of receivables.
	Average Receivable	656.02	692.75	499.41	623.35			
	<b>Trade Receivables Turnover Ratio</b>	<b>2.46</b>	<b>10.93</b>	<b>14.38</b>	<b>10.81</b>	<b>-77.51%</b>	<b>-23.94%</b>	<b>33.01%</b>
7	<b>Trade Payables Turnover Ratio. (In Times)</b>							
	Credit Purchase	456.49	1366.75	3601.80	4082.75	Not Comparable the stubs period is of Four months only	This is due to tighter cash management & Company is allowed to Delay Payments to its creditors	Not Applicable
	Average Payable	615.48	698.10	724.48	684.45			
	<b>Trade Payables Turnover Ratio</b>	<b>0.74</b>	<b>1.96</b>	<b>4.97</b>	<b>5.97</b>	<b>-62.12%</b>	<b>-60.62%</b>	<b>-16.65%</b>
8	<b>Net Capital Turnover Ratio (in Times)</b>							
	Revenue from Operations	1613.40	7574.89	7179.90	6737.79	Not Comparable the stubs period is of Four months only	Lower turnover ratio due to, decrease in revenue coupled with Higher inventory level.	This is due to working capital is efficiently used to generate higher revenue.
	Net Working Capital	1314.44	1966.77	468.18	1019.14			
	<b>Net capital turnover ratio</b>	<b>1.23</b>	<b>3.85</b>	<b>15.34</b>	<b>6.61</b>	<b>-68.13%</b>	<b>-74.89%</b>	<b>131.96%</b>
9	<b>Net Profit ratio (in %)</b>							
	Net Profit	162.80	429.17	91.76	-34.46	Not Comparable the stubs period is of Four months only	This is due to favourable market conditions & expansion in margins led to increase in PAT.	This is due to unfavourable market & operational inefficiencies
	Sales	1613.40	7574.89	7179.90	6737.79			
	<b>Net Profit ratio</b>	<b>10.09%</b>	<b>5.67%</b>	<b>1.28%</b>	<b>-0.51%</b>	<b>78.10%</b>	<b>343.30%</b>	<b>-349.92%</b>
10	<b>Return on Capital employed (in %)</b>							
	Earning Before Interest and Taxes	404.21	1187.31	663.92	478.18	Not Comparable the stubs period is of Four months only	This is due to favourable market conditions & improved operational efficiencies led to increase in PAT.	Not Applicable
	Capital Employed	12897.67	13747.20	12518.67	12504.51			
	<b>Return on Capital employed</b>	<b>3.13%</b>	<b>8.64%</b>	<b>5.30%</b>	<b>3.82%</b>	<b>-63.71%</b>	<b>62.85%</b>	<b>38.69%</b>

## OTHER FINANCIAL INFORMATION

The audited financial statements of our Company for stub period ended July 31, 2024 and for the financial year 2023-24, 2022-23 and 2021-22 together with all the annexures, schedules and notes thereto ("Financial Statements") are available at [www.sartelevventure.com](http://www.sartelevventure.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Financial Statements do not constitute, (i) a part of the Draft Prospectus; or (ii) Final 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 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "Group") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor Lead Manager, 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 Financial Statements, or the opinions expressed therein. The details of accounting ratios derived from Restated Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(Amount ₹ in lakhs except per share data or unless otherwise stated)

Particulars	For the year ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Restated Profit after Tax as per Profit & Loss Statement (A)	162.87	429.17	91.76	(34.46)
Tax Expense (B)	54.24	146.87	42.41	(21.09)
Depreciation and amortization expense (C)	116.65	311.69	326.71	319.13
Interest Cost (D)	204.69	676.17	631.78	603.14
Weighted Average Number of Equity Shares at the end of the Year (E)	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
Number of Equity Shares outstanding at the end of the Year (F)	2,12,20,000	2,12,20,000	2,12,20,000	2,12,20,000
Nominal Value per Equity share (₹) (G)	10	10	10	10
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	3254.95	3092.08	2662.91	2571.14
Current Assets (I)	5632.16	6076.25	4885.35	4427.36
Current Liabilities (J)	4317.29	4109.49	4417.17	3408.22
<b>Earnings Per Share - Basic &amp; Diluted<sup>1</sup> (₹)</b>	<b>0.77</b>	<b>2.02</b>	<b>0.43</b>	<b>(0.16)</b>
<b>Return on Net Worth<sup>1 &amp; 2</sup> (%)</b>	<b>5.00</b>	<b>13.88</b>	<b>3.45</b>	<b>(1.34)</b>
<b>Net Asset Value Per Share<sup>1</sup> (₹)</b>	<b>15.34</b>	<b>14.57</b>	<b>12.55</b>	<b>12.12</b>
<b>Current Ratio<sup>1</sup></b>	<b>1.30</b>	<b>1.48</b>	<b>1.11</b>	<b>1.30</b>
<b>Earnings before Interest, Tax and Depreciation and Amortization<sup>1</sup> (EBITDA)</b>	<b>520.93</b>	<b>1499.01</b>	<b>990.63</b>	<b>797.31</b>

### Notes:

The ratios have been calculated as below:

- Earnings per share (₹) (EPS):** Restated Profit after Tax as per Profit & Loss Statement divided by Weighted Average Number of Equity Shares at the end of the Year
- Return on Net Worth (%) (RoNW):** Restated Profit after Tax as per Profit & Loss Statement divided by Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities
- Net Asset Value per Equity Shares:** Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities divided by Number of Shares Outstanding at the end of the year
- Current Ratio:** Current Assets divided by Current liabilities
- Earnings before Interest, Tax and Depreciation and Amortization (EBITDA):** Restated Profit after Tax as per Profit & Loss Statement plus Tax Expense plus Depreciation and amortization expense plus Interest Cost minus Other Income.

## FINANCIAL INDEBTEDNESS

Our Company has availed certain loans in the ordinary course of business for the purposes including, but not limited to meeting its working capital requirements and financing its capital expenditure. Unless otherwise stated, the approvals and/or sanctions are valid as of the date of this Draft Prospectus/Prospectus and in case said approvals and/or sanctions have expired, we have either made an application for renewal or are in the process of making an application for renewal. Our Company has received NOC from our Principal Bankers. As on the date of filing of this Prospectus, the overall borrowings of our Company does not exceed the overall limit i.e. 25000 Lakhs as specified under Section 180(1)(c) of the Companies Act, 2013.

### Facilities availed by us

As on July 31, 2024 the aggregate outstanding borrowings of our Company are as follows:

(Rs. In Lakhs)

Category of Borrowings	Sanction Limit	Outstanding as on July 31, 2024
Secured Borrowings	7,006.00	4,955.16
Unsecured Borrowings	-	4,687.63
<b>Total</b>		<b>9,642.79</b>

### A.) Secured Loans

Sr. No.	Name of Lender	Sanction Date	Nature of Loan	Rate of Interest	Securities Offered	Repayment Terms	Sanction Amount	Amount Outstanding as on 31.07.2024
1	Bank of Baroda	27.09.2021	CC	2.00% over BRLLR + SP i.e 15.75%	<b>Primary Securities Offered:</b> 1. Working Capital: First pari passu charge by way of Hypothecation on all current assets of the Company, both present and future. 2. Term Loan: First pari passu charge on the below Collateral Security on immovable assets. <b>Personal Guarantee</b> Personal Guarantee given by Mukesh Babariya, Ashok Babariya, Gulabben Babariya, Nitin Babariya, Dhanji Patel, Parshottam Babariya, Mahesh Babariya and Heena Babariya. <b>Collateral Securities offered:</b> Collateral Securities includes land and plant, with factory land and a building covering 32,854 square meters owned by 3B Films Pvt Ltd. Residential properties consist of a 4 BHK flat at 904 Milestone, Vasna Bhayli Road, Vadodara, covering 5,400 square feet, owned by Mr. Ashokbhai Babariya, and an open plot at VIVOCITY OW, Plot A3, Vaghodia Road, Vadodara, covering 17,260.72 square feet, also owned by Mr. Ashokbhai Babariya. Additional open plots at	-	800	809.40
3		27.09.2021	Term Loan-II- Sole Loan	3% above MCLR+S P i.e. 11.40%		80 monthly installments	2,787	1585.20
4		30.03.2022	AWCTL UNDER BGECLS-2.0	1% above BRLLR without SP i.e 7.50%		72 monthly installments	975	893.76
5		27.09.2021	AWCTL UNDER BGECLS	BRLLR + 1.00%		35 monthly installments	137	15.36
6		27.09.2021	BG	-		-	150	0.00
7	Central Bank of India	28.02.2022	CC	MCLR + 1.55% - 1.00% = 7.70%		-	1,500	1514.33
8		28.02.2022	Term Loan-GECL	7.50%		-	331	0.00
9		28.02.2022	Term Loan-GECL Extn	1Y MCLR + 1.00%		20 monthly installments	169	137.10
11		28.02.2022	BG	-		-	157	0.00

				<p>VIVOCITY, Vadodara, include the following:  Plot No. 19 (5,109 square feet), Plot No. 134 (1,883 square feet), Plot No. 135 (1,648 square feet), Plot No. 143 (5,873 square feet), Plot No. 149 (1,804 square feet), Plot No. 164 (2,030 square feet), Plot No. 165 (1,819 square feet), Plot No. 166 (2,007 square feet), Plot No. 168 (2,096 square feet), and Plot No. 174 (1,883 square feet), all owned by Mr. Ashokbhai Babariya.</p> <p>There are exclusive charges with the Central Bank of India, including an open plot at VIVOCITY OP-1 Paikki A2, owned by Mrs. Heena A Babariya, an open plot at RIO COLINA, Moje: Ghala, Dist: Surat, owned by Mr. Mukeshbhai Babariya, and a flat at City Corner A-402, Vasna Bhayli Road, Vadodara, owned by Mrs. Heena A Babariya.</p> <p>Additionally, exclusive charges with the Bank of Baroda include flats on Vasna Bhayli Road, Vadodara: City Point C-204 and City Point C-304, each 1,200 square feet, owned by Mr. Ashokbhai Babariya; Marvel H-204, 1,680 square feet, and Marvel H-502 with an open terrace, 1,850 square feet, both owned by Mr. Ashokbhai Babariya; and Milestone 701, 2,440 square feet, owned by Mr. Nitinbhai D Babariya.</p> <p>Land at Masar RS No: 1245, 1246, covering 8,552 square meters, is owned by 3B Films Pvt Ltd.</p> <p>Furthermore, there are several open plots on Mota Varachha Road, Surat, owned by Mr. Dhanjibhai Naranbhai Patel, including 5-Rivera Bungalow Plot (1,229.67 square feet), 7-Rivera Bungalow Plot (1,289.16 square feet), 22-Rivera Bungalow Plot (1,614.42 square feet), 60-Rivera Bungalow Plot (1,589.85 square feet), 78-Rivera Bungalow Plot (1,614.42 square feet), and 98-</p>		
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				<p>Rivera Bungalow Plot (1,614.42 square feet). Several shops on Mota Varachha Road, Surat, owned by Mr. Ashokbhai Babariya include 2-Rivera Height GF Shop (350.05 square feet), 6-Rivera Height GF Shop (451.33 square feet), 7-Rivera Height GF Shop (349.18 square feet), 2-Rivera Height FF Shop (277.71 square feet), and 14-Rivera Height FF Shop (300.31 square feet). Additional properties on Mota Varachha Road, Surat, owned by Mr. Dhanjibhai Naranbhai Patel, include 2-Rivera Green GF Shop (330.67 square feet), 34-Rivera Green GF Shop (364.68 square feet), and C-101 Rivera Green Flat (668.23 square feet).</p>			
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#### B.) Unsecured Loans

Nature of Borrowings	Outstanding as on July 31, 2024 Rs. (In Lakhs)	Terms of Repayment	Rate of Interest
<b>Loans from, Directors, Members, Related Parties, &amp; Inter Corporate Deposit</b>			
From Directors, Members & Related Parties	4,687.63	Repayable on demand	Interest Free
<b>Total</b>	<b>4,687.63</b>		

Note: The figures disclosed above are based on the Restated Standalone Financial Information of our Company.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page 28, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year; so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.*

The financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated September 12, 2024 which is included in this Draft Prospectus under the section titled "Restated Financial Information" beginning on page 153 of this Draft Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 28 and 21 respectively, and elsewhere in this Draft Prospectus. Accordingly, the degree to which the financial statements in this Draft Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices. Please also refer to section titled "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" beginning on pages 19 of this Draft Prospectus.

### Overview of the Company

#### BUSINESS OVERVIEW

Our Company was incorporated on September 03, 2014 under the name and style of '3B Films Private Limited' as a private limited company with a vision to revolutionize the CPP films industry through cutting-edge technology and unwavering dedication in providing superior quality Cast Polypropylene (CPP) and Cast Polyethylene (CPE) films. Our Company is promoted and pioneered by Mr. Ashokbhai Babariya with his brothers, Mr. Mukeshbhai Babariya and Mr. Nitinbhai Babariya and they are associated with our company since its inception. Mr. Ashokbhai Babariya, Promoter and Managing Director of the Company has an engineering background with more than three decades of experience in entrepreneurship and a decade experience in unique and specialty packaging solutions. He has formed this company after a detailed survey of packaging industries and guided our company in expanding its operations by taking strategic initiatives such as de-risking entire business by strategic product & market selection, starting of exports, adoption of best technology, timely expansion, development in products etc. In 2017, our company successfully completed the installation of a cutting-edge plant, along with state-of-the-art machinery imported from Italy and Germany to pursue our main object. This marked the beginning of our journey into the production of CPP and CPE films, which find applications in the food packaging industry, FMCG packaging, and various non-food packaging sectors. We presently operate from our manufacturing unit located in Vadodara, Gujarat at Block no:-1241, 1242, 1243, 1244, Padra-Jambusar Highway, Post. Masar, Taluka: Padra, Dist. Vadodara, Gujarat, India-391421 spread over 4-36-19 H.A. Further, our Company was converted into Public Limited Company and name of company was changed from "3B Films Private Limited" to "3B Films Limited" pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on March 14, 2024 and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad at Gujarat dated June 21, 2024. The CIN of the Company is U25200GJ2014PLC080685.

Our company is engaged in the manufacturing and supply of CPP & CPE films tailored to meet the diverse needs of the flexible packaging industry and high-end thermoforming applications and thus play a pivotal role in delivering innovative packaging solutions to our clients of a wide array of industries. Our product portfolio includes a wide range of CPP films designed to address the specific needs of various industries, including food and beverage, clothing, flowers and other consumer goods. From high-clarity films for premium packaging to high-barrier films for extended shelf life, we offer solutions that cater to the evolving demands of the market as we presently are equipped with such a manufacturing facility capable of producing CPP & CPE films spanning a thickness range from 15 to 250 microns. Further, considering the future prospect of Adhesive Laminated Films in line of present business of the Company, in the financial year 2023-24, Our company also started trading of said films and recorded turnover of Rs.22.59 Crore in the first financial year itself. To exploit the potential business opportunities prevailing in the market, the company is planning to install machines in its manufacturing unit itself to manufacture adhesive laminated films in the years to come.

Our Company is equipped with the necessary facilities to carry out research and development which carry out necessary tests and trials to develop and devise the quality film suitable to the nature of the product and the requirement of the various domestic and international packaging regulations and standards. We carry out our research within our manufacturing unit itself with an objective to implement a performance-oriented approach with the help of imported technologies installed in the Company. Our Personnel are having an experience for the development of new films. With availability of Research & Development facilities, our Company ensures that the packaging needs and demands of our customers suitable to their final products are effectively met.

We have a quality control and assurance division ("Quality Division") to carry out the required tests on the materials received including raw materials which are used in the manufacturing process and also on the final products to ensure that the quality is built throughout the process. We



ensure adherence to the domestic and international standards laid down for our products. Our Company has received different certifications for the manufacturing process, managements systems implemented and the packaging products manufactured such as ISO 9001:2015 certificate and ISO 22000:2018 from Alcumus ISOQAR for manufacture and supply of CCP and metalised films in respect of production of food packaging. Further, from Alcumus ISOQAR has issued a certificate certifying meeting the requirements of Global standards for Packaging Materials which means our company is also BRCGS certified. For further details, please refer to the chapter titled “Government and other Statutory Approvals” and “Awards and Accreditations” in the chapter titled “History and Certain Corporate Matters” at pages 171 and 130 of this Draft Prospectus.

Located near Vadodara, Gujarat, 3B Films Limited enjoys a strategic position that enables us to serve both domestic and international markets efficiently. Our ability to easily connect with major ports such as Hazira, Mundra, and Nhava Sheva, minimizes freight costs and ensures smooth shipment of goods to various destinations worldwide. We have successfully catered to the needs of customers across regions and countries including the UK, Africa, Sri Lanka, Nepal, Dubai, United Arab Emirates, and Saudi Arabia. With easy access to transportation facilities, entering new geographical markets is seamless for us. We remain committed to expanding our reach and delivering quality products to customers around the globe.

## FINANCIAL SNAPSHOT

The financial performance of the company for stub period and last three years as per restated financial Statement:

Particulars	Stub Period	For the year ended on March 31		
	July 31, 2024	2024	2023	2022
Revenue from operations (Rs. in Lakhs)	1613.40	7574.89	7179.90	6737.79
EBITDA (Rs. in Lakhs)	520.86	1499.01	990.63	797.31
EBIT (Rs. in Lakhs)	404.21	1187.31	663.92	478.18
EBITDA margin (%)	32.28	19.79	13.80	11.83
PAT (Rs. in Lakhs)	162.80	429.17	91.76	-34.46
Net Profit margin (%)	10.09	5.67	1.28	-0.51
Net worth (Rs. in Lakhs)	3254.88	3092.08	2662.91	2571.14
Return on capital employed (%)	3.13	8.64	5.30	3.82
Return on equity (%)	5.13	14.91	3.51	-1.33
Debt to equity ratio (times)	2.96	3.45	3.70	3.86
Fixed Asset Turnover Ratio (times)	4.74	1.03	1.12	1.23

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET:

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e. July 31, 2024 as disclosed in this prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on BSE SME Platform of BSE Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on June 28, 2024 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on July 01, 2024 authorized the Initial Public Offer.

## FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

Our Company’s future results of operations could be affected potentially by the following factors:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other
- countries;

- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

#### OUR SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies, please refer Significant Accounting Policies and Notes to accounts, “Annexure IV” beginning under Chapter titled “*Restated Financial Information*” beginning on page 153 of this Draft Prospectus.

#### FINANCIAL PERFORMANCE FOR THE PERIOD ENDED ON JULY 31, 2024

INCOME FROM CONTINUING OPERATIONS	July 31, 2024 (Amount In Lakhs)	%
Revenue from operations	1613.40	98.93
Other Income	17.51	1.07
<b>Total Revenue</b>	<b>1630.91</b>	<b>100.00</b>
<b>Expenses</b>		
Cost of Material Consumed	925.32	56.74
Purchase of stock in trade	-	-
Changes in Inventories of finished goods, work in progress and stock -in-trade	(141.21)	(8.66)
Employee benefits expense	112.32	6.89
Finance Costs	204.69	12.55
Depreciation and amortisation expenses	116.65	7.15
Other expenses	196.11	12.02
<b>Total Expenses</b>	<b>1413.87</b>	<b>86.69</b>
<b>Restated profit before tax before exceptional and Extraordinary Items</b>	<b>217.04</b>	<b>13.31</b>
<b>Exceptional Item</b>	<b>-</b>	<b>-</b>
<b>Total tax expense</b>	<b>54.24</b>	<b>3.33</b>
<b>Restated profit after tax from continuing operations</b>	<b>162.80</b>	<b>9.98</b>

#### DISCLOSURE OF THE PERIOD ENDED ON JULY 31, 2024:

##### Total Revenue:

Our Company is engaged in the manufacturing and supply of CPP & CPE films tailored to meet the diverse needs of the flexible packaging industry and high-end thermoforming applications and thus play a pivotal role in delivering innovative packaging solutions to our clients of a wide array of industries. We sell our products in domestic as well as international markets. Our Company is one of the exporters of CPP & CPE films. The Total Revenue from April 1, 2024 to July 31, 2024 was ₹ 1613.40 Lakh, which includes Revenue from Operations amounting to ₹ 1613.40 Lakh and Other Income of ₹ 17.51 Lakh. Revenue from Operations mainly includes sales from Product and other operating Revenue.

Particulars	For the period ended July 31, 2024	
	Amount (In ₹ Lakhs)	In %
Sale of products	1613.40	100.00
Other Operative Revenue	-	-
<b>Total Revenue from Operation</b>	<b>1613.40</b>	<b>100.00</b>

##### Other Income

Other Income mainly includes foreign exchange gain.

##### EXPENDITURE:

##### Cost of materials consumed

The Cost of Material Consumed was ₹ 925.32 Lakh from April 01, 2024 to July 31, 2024, which is 56.74% of the Total Revenue.

##### Purchase of Stock in Trade

The Purchase of Stock in Trade was Nil from April 01, 2024 to July 31, 2024, which is 56.74% of the Total Revenue.

### Changes in Inventories of finished goods, work in progress and stock -in-trade

The Changes in Inventories of finished goods, work in progress and stock -in-trade was ₹ (141.21) Lakh from April 01, 2024 to July 31, 2024, which is (8.66)% of the Total Revenue.

### Employee Benefit Expenses

Employee Benefit Expenses was ₹ 112.32 Lakh from April 01, 2024 to July 31, 2024, which is 6.89% of the Total Revenue. Employee Benefit Expenses mainly includes Salary and wages, Contribution to Provident fund & Gratuity and Staff welfare expenses.

### Finance Cost

Finance expense was ₹ 204.69 Lakh from April 01, 2024 to July 31, 2024, which is 12.55% of the Total Revenue. Finance Cost mainly, includes Interest Expense and other finance cost.

### Depreciation and amortisation expenses

The Depreciation and amortization from April 01, 2024 to July 31, 2024 was ₹ 116.65 Lakh that is 7.15% of the Total Revenue.

### Other Expenses

Other Expenses from April 01, 2024 to July 31, 2024 was ₹ 196.11 Lakh that is 12.02% of the Total Revenue.

Other expense mainly includes Electricity Expenses, Custom Clearance Duty, Custom Duty, Freight, Octroi & Transportation. Insurance Premium, Security Service Charges, Repairs & Maintenance, Factory Expense and other Miscellaneous Expenses.

### Restated Profit before tax from continuing operations

Profit before Tax from April 01, 2024 to July 31, 2024 stood at ₹ 217.04 Lakh. During this period, Our Company recorded Profit before Tax margin of 13.31% of Total Revenue.

### Restated Profit after tax from continuing operations

Profit after Tax from April 01, 2024 to July 31, 2024 stood at ₹ 162.80 Lakh. During this period, our Company recorded Profit after Tax margin of 9.98% of Total Revenue.

## RESULTS OF OUR OPERATION BASED ON RESTATED FINANCIAL INFORMATION

Particulars	Years (₹ in Lakhs)		
	31.03.2024	31.03.2023	31.03.2022
Revenue from operations	7574.89	7179.90	6737.79
<b>Total Revenue from Operation</b>	<b>7574.89</b>	<b>7179.90</b>	<b>6737.79</b>
% of growth	5.50	6.56	-
Other Income	64.90	102.03	69.41
% of growth	(36.39)	46.99	-
<b>Total income</b>	<b>7639.79</b>	<b>7281.93</b>	<b>6807.20</b>
% of growth	4.91	6.97	-
<b>Expenses</b>			
Cost of Material consumed	3314.32	4905.34	5041.56
% Increase/(Decrease)	(32.43)	(2.70)	-
Purchases of stock-in-trade	2071.97	-	-
% Increase/(Decrease)	100	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(435.79)	(98.32)	(396.92)
% Increase/(Decrease)	(343.22)	(75.23)	-
Employee benefits expense	337.49	346.20	336.40
% Increase/(Decrease)	(2.51)	2.91	-
Finance Costs	676.17	631.78	603.14
% Increase/(Decrease)	7.03	4.75	-
Depreciation and amortisation expenses	311.69	326.71	319.13
% Increase/(Decrease)	(4.06)	2.37	-
Other expenses	787.88	1036.06	957.98
% Increase/(Decrease)	(23.95)	8.15	-
<b>Total Expenses</b>	<b>7063.74</b>	<b>7147.75</b>	<b>6861.30</b>
% to total revenue	92.46	98.16	100.79
Profit/(Loss) Before Extra-Ordinary Items and Tax	576.04	134.17	(54.09)
% to total revenue	7.54	1.84	(0.79)
Exceptional Items	-	-	(1.45)
<b>Profit before Tax</b>	<b>576.04</b>	<b>134.17</b>	<b>(55.55)</b>
Total tax expense	146.87	42.41	(21.09)

Particulars	Years (₹ in Lakhs)		
	31.03.2024	31.03.2023	31.03.2022
% Increase/(Decrease)	246.33	(301.08)	-
<b>Profit and Loss after tax for the Year as Restated</b>	<b>429.17</b>	<b>91.76</b>	<b>(34.46)</b>
% to total revenue	5.62	1.26	(0.51)
% Increase/(Decrease)	367.69	(366.31)	-

#### COMPARISON OF FY 2023-24 WITH FY 2022-23:

##### REVENUE:

##### Revenue from operations

Our Company is engaged in the manufacturing and supply of CPP & CPE films tailored to meet the diverse needs of the flexible packaging industry and high-end thermoforming applications and thus play a pivotal role in delivering innovative packaging solutions to our clients of a wide array of industries. The Total Revenue from operations for the year ended on FY 2023-24 was ₹ 7574.89 Lakh as compared to ₹ 7179.90 Lakh during the FY 2022-23. Revenue from Operations mainly includes Revenue from Sale of Product and Other Operating revenue. Revenue from operations increased by 5.50% in FY 2022-23. Increase in revenue from operations is on account of Trading of Goods.

##### Other Income:

Other income of the company was ₹ 64.90 lakhs and ₹ 102.03 lakhs for FY 2023-24 and FY 2022-23 respectively. Other Income consists of foreign exchange gain, Interest & Discount. In FY 2021-22 Insurance claim received of ₹30.45.

##### EXPENDITURE:

##### Cost of materials consumed

Our cost of materials consumed decreased by 32.43% from ₹ 4905.34 lakhs in FY 2022-23 to ₹ 3314.32 lakhs in FY 2023-24. Cost of Material consumed has reduced due to reduction in Purchase of our company.

##### Purchase in Stock in Trade

Our purchase in stock in trade increased by 100% from Nil in FY 2022-23 to ₹ 2071.97 lakhs in FY 2023-24. Our company had initiated trading activities in FY 2023-24, due to the growing market demand for specific products.

##### Changes in Inventories of finished goods, work in progress and stock -in-trade

Our Changes in Inventories of finished goods, work in progress and stock -in-trade increased by 343.22% from ₹ (98.32) lakhs in FY 2022-23 to ₹ (435.79) lakhs in FY 2023-24 due to increase in trading activities and high inventory levels required to meet the growing market demand of our products.

##### Employee Benefit Expenses

Employee Benefit expenses decreased to ₹ 337.49 Lakhs for FY 2023-24 from ₹ 346.20 Lakh for FY 2022-23 showing reduction by 2.51%. Employee Benefit Expenses mainly includes Salary and wages, Contribution to Provident fund & Gratuity and Staff welfare expenses.

##### Finance Cost

Finance expense was ₹ 676.17 Lakhs for FY 2023-24 as against ₹ 631.78 Lakhs in FY 2022-23 showing an Increase of 7.03%. Finance Cost mainly, includes Interest expense and other finance cost.

##### Depreciation and amortisation expenses

The Depreciation and amortization expense for FY 2023-24 was ₹ 311.69 Lakh as against ₹ 326.71 Lakhs for FY 2022-23 showing reduction by 4.60%.

##### Other Expenses

Other Expenses decreased to ₹ 787.88 Lakh for FY 2023-24 from ₹ 1036.06 Lakh for FY 2022-23 showing a decreased of 23.95%. Other expense mainly includes Electricity Expenses, Custom Clearance Duty, Custom Duty, Freight, Octroi & Transportation, Legal, Professional, License & Filing Fees, Insurance Premium, Security Service Charges, Repairs & Maintenance, Factory Expense and other Miscellaneous Expenses.

##### Profit before Extra-Ordinary Items and Tax

The Profit before Extra-Ordinary Items and Tax for the FY 2023-24 was 7.54% of the Total revenue from operations and it was 1.84% of Total revenue for the FY 2022-23. The Profit before Extra-Ordinary Items and Tax has Increased to ₹ 576.04 Lakh in FY 2023-24 from ₹ 134.17 Lakh in FY 2022-23.

##### Profit after Tax (PAT)

PAT Increased to ₹ 429.17 Lakh in FY 2023-24 from ₹ 91.76 Lakh in the FY 2022-23. PAT was 5.62% and 1.26% of Total Revenue of our company for the year ended on March 31, 2024 and March 31, 2023 respectively.

## COMPARISON OF FY 2022-23 WITH FY 2021-22:

### REVENUE:

#### Revenue from operations

Our Company is engaged in the manufacturing and supply of CPP & CPE films tailored to meet the diverse needs of the flexible packaging industry and high-end thermoforming applications and thus play a pivotal role in delivering innovative packaging solutions to our clients of a wide array of industries. The Total Revenue from operations for the year ended on FY 2022-23 was ₹ 7179.90 Lakh as compared to ₹ 6737.79 Lakh during the FY 2020-21. Revenue from Operations mainly includes Revenue from Sale of Product. Revenue from operations increased by 6.56%.

#### Other Income:

Other income of the company was ₹ 102.03 Lakhs and ₹ 69.41 Lakhs for FY 2022-23 and FY 2021-22 respectively. Other Income consists of foreign exchange fluctuation, Interest, Discount etc.

### EXPENDITURE:

#### Cost of materials consumed

Our cost of materials consumed reduced by 2.70% from ₹ 5041.56 lakhs in FY 2021-22 to ₹ 4905.34 lakhs in FY 2020-21. Material consumption has been decreased due to improved efficiency in resource utilization and optimized production process.

#### Purchase in Stock in Trade

Nil

#### Changes in Inventories of finished goods, work in progress and stock -in-trade

Our Changes in Inventories of finished goods, work in progress and stock -in-trade decreased by 75.23% from ₹ (396.92) lakhs in FY 2021-22 to ₹ (98.32) lakhs in FY 2022-23 due to weaker market demand.

#### Employee Benefit Expenses

Employee Benefit expenses increased to ₹ 346.20 Lakhs for FY 2022-23 from ₹ 336.40 Lakh for FY 2021-22 showing an increase of 2.91%. Employee Benefit Expenses mainly includes Salary and wages, Contribution to Provident fund & Gratuity and Staff welfare expenses.

#### Finance Cost

Finance expense was ₹ 631.78 Lakhs for FY 2022-23 as against ₹ 603.14 Lakhs in FY 2021-22 showing an Increase of 4.75%. Finance Cost mainly, includes Interest expense and other finance cost.

#### Depreciation

The Depreciation and amortization expense for FY 2022-23 was ₹ 326.71 Lakh as against ₹ 319.13 Lakhs for FY 2021-22.

#### Other Expenses

Other Expenses increased to ₹ 1036.06 Lakh for FY 2022-23 from ₹ 957.98 Lakh for FY 2021-22 showing an increase of 8.15%. Other expense mainly includes Electricity Expenses, Custom Clearance Duty, Custom Duty, Freight, Octroi & Transportation, Legal, Professional, License & Filing Fees, Insurance Premium, Security Service Charges, Repairs & Maintenance, Factory Expense and other Miscellaneous Expenses.

#### Profit before Extra-Ordinary Items and Tax

The Profit before Extra-Ordinary Items and Tax for the FY 2022-23 was 1.84% of the Total revenue and it was (0.79) % of Total revenue for the FY 2021-22. The Profit before Extra-Ordinary Items and Tax has increased to ₹ 134.17 Lakh in FY 2022-23 from ₹ (54.09) Lakh in FY 2021-22.

#### Profit after Tax (PAT)

PAT increased to ₹ 91.76 Lakh in FY 2022-23 from ₹ (34.46) Lakh in the FY 2021-22. PAT was 1.26% and (0.51) % of Total Revenue of our company for the year ended on March 31, 2023 and March 31, 2022 respectively. Our Company's profit has grown in absolute terms, profit margins as a percentage of total income have also improved.

## DISCUSSION ON THE STATEMENT OF CASH FLOWS

The table below summaries our cash flows from our restated for the period /financial year ended July 31, 2024, March 31, 2024, 2023 and 2022:

(₹ in Lakhs)

Particulars	For the Period / Year ended			
	July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net cash generated from / (used in) Operating activities	1262.40	163.87	332.63	(320.55)
Net cash generated from / (used in) Investing activities	(90.73)	(298.20)	(84.85)	9.87
Net cash generated from / (used in) from Financing activities	(1218.13)	176.79	(553.92)	629.88
<b>Net Increase / (decrease) in Cash &amp; Cash Equivalents</b>	<b>(46.46)</b>	<b>42.47</b>	<b>(306.14)</b>	<b>319.19</b>
Cash and cash equivalents at the beginning of the Period / year	94.53	52.06	358.20	39.00



Particulars	For the Period / Year ended			
	July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Cash and cash equivalents at the end of the Period/ year	48.07	94.53	52.06	358.20

#### Operating Activities

- **In the period ended July 31, 2024**, net cash generated from operating activities was ₹ 1262.40 Lakhs. This comprised of the profit before tax of ₹ 217.04 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 116.65 Lakhs, finance cost of ₹ 192.92 Lakhs. The resultant operating profit before working capital changes was ₹ 526.61 Lakhs, which was again adjusted for changes in working capital requirements.
- **In Financial Year 2023-24**, net cash generated from operating activities was ₹ 163.87 Lakhs. This comprised of the profit before tax of ₹ 576.04 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 311.69 Lakhs, finance cost of ₹ 618.73 Lakhs and Interest Income of ₹ 2.26 Lakhs. The resultant operating profit before working capital changes was ₹ 1508.73 Lakhs, which was again adjusted for changes in working capital requirements.
- **In Financial Year 2022-23**, net cash generated from operating activities was ₹ 332.63 Lakhs. This comprised of the profit before tax of ₹ 134.17 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 326.71 Lakhs, finance cost of ₹ 631.78 Lakhs and Interest Income ₹ 2.15 Lakhs. The resultant operating profit before working capital changes was ₹ 1094.81 Lakhs, which was primarily adjusted for changes in working capital requirements.
- **In Financial Year 2021-22**, net cash utilised in operating activities was ₹ (320.55) Lakhs. This comprised of the profit before tax of ₹ (55.55) Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 319.13 Lakhs, finance cost of ₹ 603.14 Lakhs and Interest Income ₹ 1.98 Lakhs. The resultant operating profit before working capital changes was ₹ 868.70 Lakhs, which was primarily adjusted for changes in working capital requirements.

#### Investing Activities

- **In the period, ended July 31, 2024**, net cash used in investing activities was ₹ 90.73 Lakhs, which primarily comprised of cash used for the product development of ₹ 87.59 Lakhs.
- **In Financial Year 2023-24**, net cash used in investing activities was ₹ 298.20 Lakhs, which primarily comprised of cash used for the product development of ₹ 296.97 Lakhs.
- **In Financial Year 2022-23**, net cash used in investing activities was ₹ 84.85 Lakhs, which primarily comprised of purchase of fixed assets of ₹ 82.71 Lakhs.
- **In Financial Year 2021-22**, net cash inflow from investing activities was ₹ 9.87 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 37.07 Lakhs offset by proceeds from the sale of investments amounting to ₹ 48.92 Lakhs and Interest Income of ₹ 1.98 Lakhs.

#### Financing Activities

- **In the period, ended July 31, 2024**, net cash utilised in financing activities was ₹ 1218.13 Lakhs, which predominantly was on account of repayment of Long-term & Short-term borrowings of ₹ 1012.33 Lakhs and finance cost paid of ₹ 192.92 Lakhs.
- **In Financial Year 2023-24**, net cash inflow from financing activities was ₹ 176.79 Lakhs, which predominantly was on account of incurring Long-term borrowings of Rs. 907.28 Lakhs, repayment of Short-term borrowings of ₹ 107.93 Lakhs payment of finance cost of ₹ 618.73 Lakhs.
- **In Financial Year 2022-23**, net cash utilised in financing activities was ₹ (553.92) Lakhs, which predominantly was on account of incurring short term borrowings of ₹ 852.18 Lakhs, decrease in short term loans & advances of ₹ 155.47 Lakhs increase in finance cost paid of ₹ 631.78 Lakhs and repayment of long term borrowings of ₹ 929.79 Lakhs
- **In Financial Year 2021-22**, net cash inflow from financing activities was ₹ 629.88 Lakhs, which predominantly was on account of increase in long-term borrowings & short-term borrowing of ₹ 1330.66 Lakhs. During the year company has paid finance cost paid of ₹ 603.14 Lakhs and decrease in short term loans & advances of ₹ 97.64 Lakhs.

#### RELATED PARTY TRANSACTIONS

For further information, please refer “**Annexure – 29 - Related Party Transaction**” under section “**Restated Financial Information**” beginning from page no. 153 of this Draft Prospectus.

#### FINANCIAL MARKET RISKS

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### INTEREST RATE RISK

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

#### EFFECT OF INFLATION

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:

##### 1. Unusual or infrequent events or transactions



Except as described in this Draft Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page no. 28 of the Draft Prospectus. To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page no. 28 in this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and other economic factor.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Other than as disclosed in this section and in “Business Overview” on page 103, we have not announced and do not expect to announce in the near future any new business segments.

**6. Total turnover of each major industry segment in which the issuer company operated.**

Our Company is engaged in the business of manufacturing of CPP & CPE Films. Relevant Industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 90 of this Draft Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company is engaged in the business of manufacturing of CPP & CPE Films. Otherwise as stated in the Draft Prospectus and in the section “Business Overview” appearing on page no. 103, our company has not publicly announced any new business segment till the date of this Draft Prospectus

**8. The extent to which business is seasonal.**

Our Company is engaged in the business of manufacturing of CPP & CPE Films. Business of our company is not seasonal in nature. Hence, our business is not subject to seasonality or cyclicity.

**9. Any significant dependence on a single or few suppliers or customers.**

Our Company is engaged in the business of manufacturing of CPP & CPE Films. Contribution of our customers and suppliers, as a percentage of total revenue and cost, respectively, for the periods indicated below:

Particulars	Top Customers as a percentage (%) of revenue from operations			
	For the period of July 31, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Top 1	19.31%	29.83%	21.25%	21.88%
Top 3	42.57%	58.54%	33.72%	45.89%
Top 5	59.49%	70.46%	42.34%	54.28%
Top 10	76.22%	83.87%	60.13%	69.74%

Particulars	Top Suppliers as a percentage (%) of Purchase			
	For the period of July 31, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Top 1	44.93%	34.41%	28.62%	22.29%
Top 3	66.37%	71.16%	53.24%	48.14%
Top 5	79.28%	80.82%	64.15%	59.01%
Top 10	93.55%	90.32%	77.98%	75.52%

**10. Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in section titles “*Business Overview*” beginning on page no. 103 of this Draft Prospectus

# CAPITALISATION STATEMENT

(Rs. in Lakhs)

Particulars	Pre-Issue	Post Issue*
	July 31, 2024	
<b>Debt :</b>		
Short Term Debt	3,319.50	3,319.50
Long Term Debt	6,323.29	6,323.29
<b>Total Debt</b>	<b>9,642.79</b>	<b>9,642.79</b>
<b>Shareholder's Funds</b>		
Equity Share Capital	2,122.00	[•]
Reserves and Surplus	1,132.88	[•]
<b>Total Shareholders' Funds</b>	<b>3,254.88</b>	<b>[•]</b>
<b>Long Term Debt/ Shareholders' Funds</b>	<b>1.94</b>	<b>[•]</b>
<b>Total Debt / Shareholders Fund</b>	<b>2.96</b>	<b>[•]</b>

Note: The figures disclosed above are based on Restated Standalone Financial Information of our Company.

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## SECTION VII-LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT

Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.

For the purpose of material litigation in (d) above, our Board in its meeting held on June 28, 2024 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) if the aggregate amount involved exceeds 10% of the profit after tax from our operations as per the Fiscal in Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated June 28, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 10% of total trade payables as per the Restated Financial Statements of our Company disclosed in this Draft Prospectus, would be considered as material creditors. The trade payables of our Company as on July 31, 2024 were ₹ 642.77 Lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder; as amended, as has been relied upon by the Statutory Auditors.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

All terms defined in a particular litigation disclosure pertains to that litigation only.

#### I. Litigation involving our Company.

##### A. Litigation filed against our Company.

##### 1. Criminal proceedings

###### i. *Abundance India vs. 3B Films Private Limited and Ors. – Criminal Complaint No. 27668 of 2019*

Abundance India through its proprietor Sanjeev Brave ("**Complainant**") filed a criminal complaint bearing number 27668 of 2019, under section 138 read with section 142 of the Negotiable Instruments Acts, 1881 before the Hon'ble Court of Judicial Magistrate First Class, Gurugram ("**Court**") against the Company and our Promoters Ashok Babariya, Nitin Babariya and Gulabben Nitin Babariya ("**Accused**"). The Complainant contends that the Accused had appointed the Complainant as a consultant for assistance in obtaining a business loan of ₹130 crores, following which the parties entered into an Agreement along with "No cancellation and NDNC" dated February 14, 2019 ("**Agreement**"). As per the said Agreement, the Complainant was to receive a service fee of 5% along with GST (18% of 5%) payable upon signing of the lender/fund agreement. Further, the Complainant arranged different lenders for the Accused but the concern lending documents were not executed by the Accused for one reason or other and also tried to complete the transaction by side lining the Complainant. Therefore, as per the terms of the Agreement, the Complainant deposited the cheque bearing number 003732 amounting to ₹6,96,33,216 ("**Cheque**") issued by the Accused. However, the said cheque was dishonoured on May 16, 2019 and said cheque was returned with reason "Payment stopped by the drawer". Therefore, the Complainant has filed this Complaint before the Court praying for payment of ₹6,96,33,216/- from the Accused and prayed court to punish the guilty person as per the provisions of the aforesaid laws and with fine of double amount of dishonored cheque with fine / compensation to Complainant. However, the accused dismisses all these accusations and filed an FIR bearing no. 11196004240042 dated February 3, 2024. In the FIR, the Accused claims that the deposit of the cheque was stopped due to suspicions regarding the Complainant's intentions, resulting in the cheque bouncing. Moreover, the Accused alleges that the representatives of the Complainant provided the Accused with forged documents and unlawfully charged the Accused Rs. 12,76,264, comprising Rs. 12,15,784, TDS of Rs. 52,480, and visiting fees of Rs. 8,000. The case is presently pending before the Court and the next date of hearing is November 27, 2024.

###### ii. *Abundance India vs. 3B Films Private Limited and Ors. – Complaint IPC 98 of 2024*

Abundance India, through its Proprietor Sanjeev Brave ("**Complainant**") filed a Complaint IPC 98 of 2024 ("**Complaint**") before the Hon'ble Judicial Magistrate, Gurugram ("**Court**") against 3B Films Private Limited ("**Accused 1**") and others ("**Accused**"). The Hon'ble Court is yet to issue Summons to the Accused due to which the facts of the Complaint are unknown to the Accused. The next date of hearing is November 27, 2024.

### iii. *Abundance India vs. 3B Films Private Limited – Criminal MA 309 of 2019*

Abundance India, through its Proprietor Sanjeev Brave (“**Complainant**”) filed a Criminal MA 309 of 2019 (“**Complaint**”) before the Hon’ble Chief Judicial Magistrate, Gurugram (“**Court**”) against 3B Films Private Limited (“**Accused**”). The Hon’ble Court is yet to issue Summons to the Accused due to which the facts of the Complaint are unknown to the Accused. The next date of hearing is January 09, 2025.

#### 2. Outstanding actions by regulatory and statutory authorities

Nil.

#### 3. Material civil proceedings

##### i. *Abundance India vs. 3B Films Private Limited and Ors. – CS/454/2024*

Abundance India (“**Plaintiff**”) filed Commercial Suit 454 of 2024 (“**Suit**”) filed before the Hon’ble Court of Civil Judge Senior Division, Gurgaon (“**Court**”) against 3B Films Private Limited (“**Defendant 1**”), Ashok D Babariya (“**Defendant 2**”), Nitin Babariya (“**Defendant 3**”), Gulabben Nitin Babariya (“**Defendant 4**”), Mukesh Babariya (“**Defendant 5**”), Commissioner of Police, Vadodara (“**Defendant 6**”) and SHO, Gotri Police Station (“**Defendant 7**”) (collectively “**Defendant**”). The Plaintiff submitted that, Plaintiff entered into service agreement with defendant for assistance in obtaining a business loan of ₹130 Crores and defendant provided cheque for service payment which got dishonored and plaintiff had already initiated a case under the provision of Negotiable Instruments Act, the said matter is still pending. Plaintiff contends that the Defendants had been approaching them for settlement of a case filed for dishonored Cheque through various means. Therefore the Plaintiff has filed before the Hon’ble Court praying to: (i) award cost of this Suit and restrain Defendant 1 from contacting the Plaintiff; (ii) direct Defendant 6 and Defendant 7 to verify the sources of people/ public servant sent through them to the Plaintiff; and (iii) direct Defendant 6 and Defendant 7 to approach the Plaintiff only by way of legal procedure. The Suit is presently pending and the next date of hearing is November 13, 2024.

##### ii. *Jignesh P Khirsariya vs. 3B Films Private Limited – Reference T LC 262/2022*

Jignesh P Khirsariya has filed a Reference T LC bearing number 262 of 2022 (“**Case**”) against 3B Films Private Limited (“**Company**”). The Case has been referred from office of Assistant Labour Commissioner Vadodara to Labour Court. The first date of hearing of the Case was on December 20, 2022 and that since the first date of hearing till date Jinesh P Khisariya has not attended Court himself or through his representative and the Statement of Claim is yet to be submitted before the Labour Court. Further, our Company has requested dismissal of the Case and the next date of hearing is December 11, 2024.

#### B. *Litigation filed by our Company.*

##### 1. Criminal proceedings

Nil.

##### 2. Material civil proceedings

Nil.

#### C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (₹ in lakhs)
Direct Tax	Nil	Nil
Indirect Tax	3 <sup>#</sup>	282.11
<b>Total</b>	<b>3</b>	<b>282.11</b>

# Includes GST Outstanding Demand amounting to ₹16,31,972 for tax period April 2019 to March 2020 vide order dated August 30, 2024, our Company received an intimation dated June 20, 2024 amounting to ₹10,115 for tax period April 2020 - March 2021 and our Company received a show cause notice dated September 23, 2024 amounting to ₹2,65,69,411 for tax period April 2020 – March 2021.

## II. **Litigation involving our directors (other than Promoters)**

#### A. *Litigation filed against our Directors (other than Promoters)*

##### 1. Criminal proceedings

Nil

##### 2. Outstanding actions by regulatory and statutory authorities

Nil.

##### 3. Material civil proceedings

Nil.



B. *Litigation filed by our Directors (other than Promoters)*

1. **Criminal proceedings**

Nil.

2. **Material civil proceedings**

Nil.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (₹ in lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

III. **Litigation involving our Promoters**

A. *Litigation filed against our Promoters*

1. **Criminal proceedings**

i. ***Abundance India vs. 3B Films Private Limited and Ors. – Criminal Complaint No. 27668 of 2019***

Abundance India through its proprietor Sanjeev Brave ("**Complainant**") filed a criminal complaint bearing number 27668 of 2019, under section 138 read with section 142 of the Negotiable Instruments Acts, 1881 before the Hon'ble Court of Judicial Magistrate First Class, Gurugram ("**Court**") against the Company and Ashok Babariya, Nitin Babariya and Gulabben Nitin Babariya ("**Accused**"). For further details, please see "**Outstanding Litigation and Material Approvals - Litigation involving our Company- Litigation filed against our Company- Criminal proceedings**" on page 167.

2. **Outstanding actions by regulatory and statutory authorities**

Nil.

3. **Material civil proceedings**

i. ***Abundance India vs. 3B Films Private Limited and Ors. – CS/454/2024***

Abundance India ("**Plaintiff**") filed Commercial Suit 454 of 2024 ("**Suit**") filed before the Hon'ble Court of Civil Judge Senior Division, Gurgaon ("**Court**") against 3B Films Private Limited ("**Defendant 1**"), Ashok D Babariya ("**Defendant 2**"), Nitin Babariya ("**Defendant 3**"), Gulabben Nitin Babariya ("**Defendant 4**"), Mukesh Babariya ("**Defendant 5**"), Commissioner of Police, Vadodara ("**Defendant 6**") and SHO, Gotri Police Station ("**Defendant 7**") (collectively "**Defendant**"). For further details, please see "**Outstanding Litigation and Material Approvals - Litigation involving our Company – Litigation filed against our Company- Material Civil Proceedings**" on page 167.

B. *Litigation filed by our Promoters*

1. **Criminal proceedings**

i. ***FIR bearing number 11196004240042 dated February 3, 2024.***

Our Promoter, Ashokbhai Dhanjibhai Babariya ("**Complainant**") filed a FIR bearing number 11196004240042 dated February 3, 2024 ("**FIR**") before the Gotri Police Station, Vadodara ("**Police Station**") against Alpesh Soni and Sanjiv Burve (Proprietor of Abundance India) ("**Accused**") under sections 406, 420 and 114 of the Indian Penal Code, 1860. The Complainant alleges that Accused had promised for assistance in obtaining a business loan of ₹130 Crores. In this regard, Accused entered into agreement with Complainant and also obtained cheque amounting to Rs. ₹6,96,33,216 ("**Cheque**") from the complainant as a security for said business loan returnable on payment of fees to the Accused after obtaining loan. Thereafter, the Accused had informed of loan approval from ALSalami Investment Group, Dubai and instructed the Complainant to travel to Gurugram for signing of the loan agreement and as per the instructions of the Accused, the Complainant executed the said loan agreement, who retained copies of both the agreement and the Complainant's company's letterhead. Further, the Complainant alleges that the Accused requested payment of \$21,710 for legal fees and Abu Dhabi investment Loan Insurance, equivalent to ₹15,65,000. However, Complainant expressed intent to make payment upon meeting the relevant party, which was deemed unfeasible by the Accused. Thereafter, the Complainant visited Dubai to the purported location of AL Salami Investment Group, however, it was discovered that no such entity existed. The Complainant contacted the Accused to verify the existence of the AL Salami Investment Group, to which the Accused responded by offering alternative loan arrangements through other firms. However, shortly after, the Complainant received a termination letter from the Accused. Despite issuing a legal notice on May 17, 2019, followed by a subsequent notices, there was no response from the Accused. Further, the Cheque amounting to ₹6,96,33,216 issued to the Accused was deposited by him, however, the said cheque was stopped due to suspicions regarding their intentions, resulting in the cheque bouncing, as confirmed by the bank. Therefore, the Accused filed a complaint against the Complainant under Section 138 of the Negotiable Instruments Act before the Hon'ble Judicial Magistrate First Class, Gurugram, which is currently pending. The Complainant further alleges that the Accused failed make good of their promise and defrauded him to the tune of ₹12,76,264. The FIR is pending as on date.

## 2. Material civil proceedings

Nil.

### C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	2*	0.12
Indirect Tax	Nil	Nil
<b>Total</b>	<b>2</b>	<b>0.12</b>

\* Includes outstanding tax demand pertaining to our Promoter, Ashokbhai Dhanjirai Babariya amounting to ₹391 for the financial year 2019-20 and ₹11,715 for the financial year 2020-21.

## IV. Material Litigations involving our Group Companies

### A. Litigation filed against our Group Companies

#### 1. Criminal proceedings

Nil.

#### 2. Outstanding actions by regulatory and statutory authorities

Nil.

#### 3. Material civil proceedings

Nil.

### B. Litigation filed by our Group Companies

#### 1. Criminal proceedings

Nil.

#### 2. Material civil proceedings

Nil.

### Outstanding dues to creditors:

As per the Restated Financial Statements, of our trade payables as at July 31, 2024 was Rs. 642.77 and accordingly, creditors to whom outstanding dues exceed 10% of the total trade payables have been considered as material creditors for the purposes of disclosure in this Draft Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at July 31, 2024, by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in Rs. lakhs)
Material creditors	3	455.43
Micro, Small and Medium Enterprises	15	56.78
Other creditors	78	130.56
<b>Total*</b>	<b>96</b>	<b>642.77</b>

The details pertaining to net outstanding dues towards our material creditors as on July 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.3bfilms.com](http://www.3bfilms.com).

## Material Developments

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after July 31, 2024*" on beginning on page 158 of this Draft Prospectus, there have not arisen, since the date of the last financial information disclosed in this Draft Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, 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.

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## GOVERNMENT AND OTHER STATUTORY APPROVAL

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. Other than as stated below, no further material approvals from any regulatory authority are required for carrying on the present business activities of our Company.

For carrying out our present business activities, which include production of Cast Polypropylene (CPP) and Cast Polyethylene (CPE) films. We are required to obtain consents, licenses, registrations, permissions and approvals, as applicable.

In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company has either already made an application to the appropriate authorities for renewal of such material approvals or is in the process of making such renewal applications. In relation to the business activities and operations of our Company we have also disclosed below the material approvals applied for but not received. For details in connection with the applicable regulatory and legal framework within which we operate, see "**Key Regulations and Policies in India**" on page 124.

Please note that since our Company has recently changed its name and is converted into a public limited company, the below detailed licenses, approval and certification are in the erstwhile name of the Company and the Company undertakes to get such licenses, approval and certification in its present name.

### I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on June 28, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on July 1, 2024, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the SME Platform of BSE Limited, dated [●].

### II. Material approvals obtained in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### A. Incorporation details of our Company

- a. Our Company was originally incorporated as a private limited company in the name of "3B Films Private Limited" vide Certificate of Incorporation dated September 03, 2014, issued by the Registrar of Companies, Gujarat.
- b. Fresh Certificate of Incorporation dated June 21, 2024, issued to our Company by the Registrar of Companies, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from "3B Films Private Limited" to "3B Films Limited".

#### B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue/ Date of Validity/ Renewal	Date of Expiry	of
1.	Permanent Account Number (PAN)	AAACZ7769A	Income Tax Department	September 03, 2014	Valid till cancelled	
2.	Tax Deduction Account Number (TAN)	BRDB02812F	Income Tax Department	July 23, 2024-	Valid till cancelled	
3.	GST Registration Certificate	24AAACZ7769A1Z9	Goods and Services Tax Department	July 01, 2017	Valid till cancelled	
4.	Professional Tax Registration Certificate	190704300118-1	Gujarat State Tax Department	April 12, 2017	Valid till cancelled	
5.	Professional Tax Enrolment Certificate	190704300118-2	Gujarat State Tax Department	April 12, 2017	Valid till cancelled	



### C. Regulatory Approvals:

Sr. No.	Nature of Registration/ License	Registration/License No.	Issuing Authority	Date Issue/Renewal	of	Date of Expiry
1.	Provident Fund Code Number	VDBRD1566097000	Employees' Provident Fund Organisation	March 17, 2017	Valid cancelled	till
2.	ESIC Registration Code	38000465800000999	Employees' State Insurance Corporation	April 06, 2019	Valid cancelled	till
3.	License to work a factory	31571	Director Industrial Safety & Health, Gujarat State	June 06, 2017	December 31, 2026	
4.	Consent to Establish U/s 25 of Water Act, 1974 and Section 21 of Air Act, 1981	GPCB/VRD/TECH/ID-48889/6189/2020	Gujarat Pollution Control Board	November 04, 2020	October 06, 2025	
5.	Consolidated Consent and Authorization under the Water Act, 1974, Air Act, 1981 and Hazardous and other waste Rules, 2016	AWH-54815	Gujarat Pollution Control Board	May 31, 2022	March 31, 2027	
6.	Registration Certificate for Producer under Rule 13(2) of the Plastic Waste Management Rules, 2016	PR-30-GUJ-05-AAACZ7769A-23	Gujarat Pollution Control Board	May 30, 2023	Valid cancelled	till
7.	Certificate of Stability of Factory Building	3BFPL/12	JAS Associates, Vadodara, Gujarat	September 25, 2020	September 24, 2025	
8.	Registration Certificate Central Excise Registration Certificate	AAACZ7769AEM001	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	April 25, 2016	Valid cancelled	till
9.	Certificate of Verification - Legal Metrology	2962142/VAD/2024/01	Controller, Legal Metrology, Gujarat State	February 29, 2024	February 28, 2025	
10.	Certificate of Verification - Legal Metrology	2895660/VAD/2024/01	Controller, Legal Metrology, Gujarat State	January 04, 2024	January 04, 2025	
11.	Importer-Exporter Code (IEC)	3414006251	Ministry of Commerce and Industry	January 28, 2015	Valid cancelled	till
12.	Registration - cum -Membership Certificate under the provisions of Foreign Trade Policy, Government of India	PLEPC/T/250/2021-2022	Plastics Export Promotion Council	April 12, 2024	March 31, 2025	
13.	UDYAM Registration Certificate	UDYAM-GJ-24-0004493	Ministry of Micro, Small and Medium Enterprises, Government of India	September 16, 2020	Valid cancelled	till
14.	Certificate of Registration – ISO 9001:2015*	15731-Q15-001	Alcumus ISOQAR Limited	July 12, 2023	July 24, 2026	
15.	Certificate of Registration – ISO 22000:2018**	15731-FS8-001	Alcumus ISOQAR Limited	July 21, 2023	July 24, 2026	
16.	Certificate of Registration – Audit Report Issue 6: August 2019 ***	15731-BRP-001	Alcumus ISOQAR Limited	May 02, 2024	May 09, 2025	
17.	Legal Entity Identifier Registration	335800PYIXB6FGHUS	Ministry of	July 24, 2019	July 23, 2025	

Sr. No.	Nature of Registration/ License	Registration/License No.	Issuing Authority	Date of Issue/Renewal	Date of Expiry
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Certificate

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Corporate Affairs

\* Manufacture and Supply of Cast Poly Propylene (CPP) Films and Metalized Films

\*\* Manufacture and Supply of Cast Poly Propylene (CPP) Films and Metalized Films

\*\*\* Manufacturing of Cast Polyolefin Films and polyethylene films by extrusion, metallisation & slitting by using raw materials like PP, PE and aluminium wire for Food, non-food and hygiene sensitive product packaging application.

### III. Material approvals or renewals for which applications are currently pending before relevant authorities

Sr. No	Details of Application	Application number	Date of Application
1.	Application for Shops and Establishment Registration Certificate under Gujarat Shops and Establishment Act, 2019 - SF 220, Pancham Icon, Besides D Mart, Vasna Road, Vadodara, Gujarat 390007	SHOP-IR-2024-03-09-0000006	March 9, 2024
2.	Application for Renewal of Ground Water Abstraction NOC	2112230006757	December 21, 2023

### IV. Material approvals or renewals for which applications are currently pending before relevant authorities

Nil.

### V. Material approvals expired and renewal yet to be applied for

Nil.


### VI. Material approvals required but not obtained or applied for

Sr. No	Description	Place
1.	Fire NOC for Factory Premises	Padra, Vadodara, Gujarat

### VII. Intellectual Property

As on the date of this Draft Prospectus, our Company does not have any registered trademarks with the Registrar of Trademarks under the Trademarks Act, 1999.

### VIII. Pending Intellectual property related approvals Application

Serial No.	Particulars of the Mark	Application No.	Class of Registration	Date of Application
1.		6499209	17	June 26, 2024

For risk associated with our intellectual property please see, "Risk Factors" on page 28.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have vide resolution dated June 28, 2024 authorized the Offer, subject to the approval by the shareholders of our Company under Section 23 and 62(1) (c) of the Companies Act, 2013.

The shareholders have authorized the Offer, by passing a Special Resolution at the Extra Ordinary General Meeting held on July 01, 2024 in accordance with the provisions of Section 23 and 62(1)(c) of the Companies Act, 2013.

The Offer for Sale has been authorized by the Selling Shareholders by the consent letter dated June 28, 2024 and the Number of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1	Ashokbhai Dhanjibhai Babariya	Upto 10,70,000
2	Mukesh Dhanjibhai Babariya	Upto 10,65,000
3	Gulabben Nitin Babariya	Upto 10,65,000

The Selling Shareholders have confirmed that they have not been prohibited from dealings in securities market and the Equity Shares offered and to be sold are free from any lien, encumbrance or third-party rights.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Draft Prospectus for listing of equity shares on the BSE SME. BSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our Company, Promoters, Selling Shareholder, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors or Selling Shareholders has been declared as wilful defaulter(s) or fraudulent borrower by the RBI or any other governmental authority.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Selling Shareholders, our Promoters and member of our Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Draft Prospectus.

### ELIGIBILITY FOR THE OFFER

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations; and this Offer is an "Initial Public Offer" in terms of the SEBI ICDR Regulations, 2018.

This Offer is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Offer face value capital is more than ten crores' rupees but less than twenty five crores' rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on September 03, 2014 with the Registrar of Companies, Gujarat, under the Companies Act, 2013.
2. The Post-Offer Paid-Up Capital of the Company shall not be more than ₹ 2500 Lakhs. The Post-Offer Capital of our Company shall be up to ₹ [●] Lakhs.
3. Our Company has a track record of three years as on date of filing of this Draft Prospectus.



4. As per the Restated Financial Statements disclosed in this Draft Prospectus, the Net worth of our Company (excluding revaluation reserves) of the Company is ₹ 30.92 Crores and ₹ 26.62 Crores for March 31, 2024 and March 31, 2023 respectively, hence is positive. The Net worth was calculated as the sum of share capital and reserves & surplus.
5. As per Restated Financial Statements, the net tangible assets are ₹ 28.05 Crores as at March 31, 2024, hence more than ₹ 3 Crores as on the date of filing of this Draft Prospectus. The Net Tangible Assets was calculated as the Total Assets Less Intangible Assets Less outside Liabilities.
6. Our Company has positive cash accruals (Earnings before depreciation and tax) in preceding financial years. As per Restated Financial Statements, the cash accruals accounted for March 31, 2024, March 31, 2023, and March 31, 2022 was ₹ 1499.01 Lakhs, ₹ 990.63 Lakhs, and ₹ 797.31 Lakhs respectively.
7. The Leverage ratio of the Company as on July 31, 2024 was 2.96 which less than the limit of 3:1.
8. Our Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals
9. Our Company confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of non-compliance.
10. Our Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
11. Our Company confirms that there has not been any change in its name in last 1 year.
12. Our company has website: <http://www.3bfilms.com/>.
13. There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME Platform of BSE.
14. Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
15. The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
16. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016
17. There is no winding up petition against the company, which has been admitted by a by a Court of competent jurisdiction or a liquidator has not been appointed.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

1. The Draft Prospectus shall be filed with BSE and our Company shall make an application to BSE for listing of its Equity Shares on the BSE SME. BSE is the Designated Stock Exchange.
2. Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement dated February 08, 2024 with NSDL and agreement dated May 31, 2024 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
3. The entire pre-Offer capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be offered pursuant to this IPO will be fully paid-up.
4. The entire Equity Shares held by the Promoter are in dematerialised form.
5. Since the entire fund requirement are to be funded from the proceeds of the Offer, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Offer.

For details, please refer the chapter “Objects of the Offer” on page no 72 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, Selling Shareholder, members of our Promoter Group or our Directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is promoter or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.

4. None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that:

1. In accordance with Regulation 246 of the SEBI ICDR Regulations, the lead manager shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to ROC.

2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Offer has been one hundred percent (100%) underwritten and that the Lead Manager to the Offer has underwritten at least 15% of the Total Offer Size. For further details, pertaining to said underwriting please refer “General Information” beginning on page 52 of this Draft Prospectus.

3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If our Company fails to unblock application amount then our Company and every officer in default shall, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Offer

#### **DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS.

THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT OFFER DOCUMENT AND THE SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT OFFER DOCUMENT IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, NIRBHAY CAPITAL SERVICES PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 12, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS DRAFT OFFER DOCUMENT

Note: All legal requirements pertaining to the Offer will be complied with at the time of registration of this Draft Prospectus with the ROC in terms of section 26, 28 and 30 of the Companies Act, 2013.

#### **DISCLAIMER FROM OUR COMPANY, SELLING SHAREHOLDERS AND THE LEAD MANAGER**

Our Company, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.3bfilms.com](http://www.3bfilms.com) or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Offer Agreement between Lead Manager our Company and Selling Shareholders and the Underwriting Agreement to be entered into between the Underwriter and our Company and Selling Shareholders and Market Maker Agreement entered into among Market Maker, Selling shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive

compensation. Nirbhay Capital Services Private Limited is not an associate of the Company and is eligible to be appointed as the Lead Manager in this Offer, under SEBI MB Regulations.

Investors who apply in this Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Selling Shareholders and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company, the Selling Shareholders nor Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Vadodara only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company and Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **Disclaimer Clause of the SME Platform of BSE Limited**

BSE Limited ("BSE") has vide its letter dated [●] given permission to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company.

BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.



vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai”.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING**

This Draft Prospectus is being filed BSE Limited, 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.

The copy of the Draft Prospectus will not be filed with SEBI and SEBI will not issue any observation on the Draft Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

#### **LISTING**

Application have been made to BSE SME for obtaining permission for listing of the Equity Shares being offered and sold in the Offer on its BSE SME after the allotment in the Offer. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our Company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Prospectus for listing of equity shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within two (2) days after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the two (2) day, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% pa) as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three (3) Working Days of the Offer 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 to action under section 447 of the Companies, Act 2013

#### **CONSENTS**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor and Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.



\* The consent will be taken while registering the Prospectus with RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s A O Mittal & Associates, Chartered Accountants, Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

#### **EXPERT OPINION**

Except the report of the Statutory Auditor on statement of tax benefits and report of the peer review auditor on restated financial statements as included in this Draft Prospectus, our Company has not obtained any other expert opinion.

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

#### **PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS**

Our Company has not undertaken any previous public or rights issue. For details please refer chapter titled “Capital Structure” beginning on page no. 59 of this Draft Prospectus.

Further, we are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

For detailed description please refer to section titled “Capital Structure” beginning on page 59 of this Draft Prospectus

#### **COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

#### **CAPITAL OFFERS DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY**

Except as disclosed in Chapter titled “Capital Structure” on page 59 of Draft Prospectus, our Company has not made any capital offer during the previous three years.

We do not have any Subsidiary and Associate company as on date of this Draft Prospectus. For Group Companies, refer chapter titled “Our Group Companies” on page 149 of Draft Prospectus.

#### **PERFORMANCE VIS-À-VIS OBJECTS**

Except as stated in the chapter titled “Capital Structure” beginning on page 59 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

We do not have any Associate company or subsidiaries as on date of this Draft Prospectus. For Group Companies, refer chapter titled “Our Group Companies” on page 149 of Draft Prospectus

#### **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

#### **OUTSTANDING CONVERTIBLE INSTRUMENTS**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

#### **OPTION TO SUBSCRIBE**

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only

#### **CHANGE IN AUDITORS DURING THE LAST THREE (3) YEARS**

Except as disclosed in Chapter titled “General Information” beginning on Page 52 of this Draft Prospectus; there are no changes in the Auditors of the company during the last three years.

#### **CAPITALIZATION OF RESERVES OR PROFITS**

Except as disclosed under section titled “Capital Structure” beginning on page 59 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Prospectus.

## TAX IMPLICATIONS

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “Statement of Possible Tax Benefits” beginning on page 87 of this Draft Prospectus.

## PURCHASE OF PROPERTY

Except if any disclosed in Section “Business Overview” on page 103 of the Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present offer.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

## SERVICING BEHAVIOR

Except as stated in this Draft Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “Our Management” beginning on page 133 and Restated Statement of Related Party Transactions” under chapter titled “Financial Information of our Company” beginning on page 153 of the Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## TRACK RECORD OF PAST ISSUES HANDLED BY LEAD MANAGER

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: <https://www.nirbhaycapital.com>.

## STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY NIRBHAY CAPITAL SERVICES PRIVATE LIMITED:- TABLE 1

Sr. No	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Aatmaj Healthcare Limited	38.40	60.00	June 30, 2023	56.00	-19.00 (-7.01)	-24.17 (-8.76)	-30.58 (-19.04)

Note:-

1. The NSE Sensex and Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the nearest trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the nearest trading day has been considered.

## TABLE 2: SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24		38.40	-	-	1	-	-	-	-	1	-	-	-	-
2022-23	N.A.													
2021-22														

## STOCK MARKET DATA OF EQUITY SHARES

This being an initial public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

Investors may contact the Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of Letter of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as Name of the Sole or First Applicant, Application Form Number, Applicant's DP ID, Client ID, PAN, Address of Applicant, Number of Equity Shares applied for, ASBA Account Number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment

of Application Amount through the UPI Mechanism), Date of Application Form and the Name and Address of the Relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the Application Number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

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

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Janki Raj, Company Secretary and Compliance Officer to redress complaints, if any, of the Investors participating in the Issue.

Contact details of Company Secretary and Compliance Officer please are as under:

- Name: Ms. Janki Raj
- Registered office: SF 220, Pancham Icon, Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007
- Website: [www.3bfilms.com](http://www.3bfilms.com)
- Email: [cs@3bfilms.com](mailto:cs@3bfilms.com)
- Contact No: +91-63596 32600

SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

Our Board by a resolution on June 28, 2024 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled "Our Management" beginning on page no 133 of this Draft Prospectus.

## STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaints during the three years preceding the date of this Draft Prospectus hence there are no pending investor complaints as on the date of this Draft Prospectus.

## DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY

We do not have any listed company under the same management.

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

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

*(The remainder of this page is intentionally left blank)*

## SECTION VIII: OFFER RELATED INFORMATION

### TERMS OF THE OFFER

The Equity Shares being issued, offered are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum and Articles of Association, SEBI LODR Regulations, the terms of the draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities offered from time to time by SEBI, the Government of India, the BSE SME, the RBI, ROC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Offer.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public Offer of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+3 days. Further, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), has been notified and made effective on a voluntary basis for public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023.

Further vide the said circular Registrar to the Offer and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.

#### AUTHORITY FOR THE OFFER

Our Board of Directors have vide resolution dated June 28, 2024 authorized the Offer, subject to the approval by the shareholders of our Company under Section 28 and Section 62(1) (c) of the Companies Act, 2013 .

The shareholders have authorized the Offer, by passing a Special Resolution at the Extra Ordinary General Meeting held on July 01, 2024 in accordance with the provisions of Section 28 and 62 (1)(c) of the Companies Act, 2013.

The Offer for Sale has been authorized by the Selling Shareholders by the consent letter dated June 28, 2024 and the Number of Equity Shares offered are as follows:

Sr. No.	Name of Selling Share Holder	No of Equity Shares offered
1	Ashokbhai Dhanjibhai Babariya	Upto 10,70,000
2	Mukesh Dhanjibhai Babariya	Upto 10,65,000
3	Gulabben Nitin Babariya	Upto 10,65,000
	Total No of Shares offered	Upto 32,00,000

#### RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “SECTION IX-DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION” beginning on page 221 of this Draft Prospectus.

#### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI LODR Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment and pursuant to the transfer of Equity Shares from the Offer for Sale, will be payable to the Applicants or the transferees who have been Allotted Equity Shares in the Offer, for the entire year,

in accordance with applicable laws. For further details, in relation to dividends, see “Dividend Policy” and “SECTION IX-DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION” beginning on page 151 and 221, respectively of this Draft Prospectus.

## **FACE VALUE AND OFFER PRICE**

The Equity Shares having a face value of ₹10/- each are being offered in terms of this Draft Prospectus at the offer price of [●] per Equity Share. The Offer Price is determined by our Company and selling shareholders in consultation with the Lead Manager and is justified under the chapter titled “Basis for Offer Price” beginning on page 81 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## **COMPLIANCE WITH ICDR REGULATIONS**

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

## **COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “SECTION IX-DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION” beginning on page 221 of this Draft Prospectus.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form for all applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

Tripartite Agreement dated February 08, 2024 between NSDL, our Company and Registrar to the Offer; and

Tripartite Agreement dated May 31, 2024 between CDSL, our Company and Registrar to the Offer.

The ISIN of the company is INE0TE101010

## **MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with Regulation 267 (2) SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE Limited from time to time by giving prior notice to investors at large. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on SME Platform of BSE Limited.

## 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 Offer is with the competent courts/authorities in Vadodara, Gujarat. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## NOMINATION FACILITY INVESTORS

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made. Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

## OFFER PROGRAM

An indicative timetable in respect of the Offer is set out below

<b>Offer Opens On</b>	<b>[●]</b>
<b>Offer Closes on</b>	<b>[●]</b>
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before [●]
<b>Initiation of Allotment/Refunds / unblocking of funds from ASBA Account or UPI ID linked bank account*</b>	On or before [●]
<b>Credit of Equity Shares to demat account of the Allottees</b>	On or before [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchanges</b>	On or before [●]

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding two Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Offer LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the



Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the Applicant shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 which for the avoidance of doubt shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

In terms of Regulation 265 of SEBI ICDR Regulations, the Offer shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.

In terms of Regulation 266 (3) of SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Offer Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266 (1).

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Each of the Promoter confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Investors after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Investors can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

**It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

## **MINIMUM SUBSCRIPTION**

This offer is 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 Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 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 terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchange where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer 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.



In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information on page 52 of this Draft Prospectus. Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of Offer.

The Equity Shares have not been and will not registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

#### **WITHDRAWAL OF THE OFFER**

Our Company and the Selling Shareholders in consultation with the Lead Manager, reserve the right to not to proceed with the Offer after the Offer Opening Date but before the Allotment. In such an event, our Company would Offer a public notice in the newspapers in which the pre-Offer advertisements were published, within two (2) days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager through, the Registrar to the Offer, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company and Selling Shareholders withdraw the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer, our Company shall file a fresh Draft Prospectus.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

The lock-in of the pre-offer capital of our Company as provided in “Capital Structure” beginning on page 59 of this Draft Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “SECTION IX- DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION” beginning on page 221 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, the Selling Shareholders and the Lead Managers are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

#### **NEW FINANCIAL INSTRUMENT**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Offer.

#### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS**

It is to be understood that there is no reservation for Eligible NRIs, 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.

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.

**Further as per the extant Guidelines of the Government of India, OCBs cannot participate in this Offer.**

#### **MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated November 26, 2012 as amended from time to time and notice dated December 20, 2021 our Company will have to be mandatorily listed and traded on the SME Platform for a minimum period of three years from the date of listing and only after that

it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the mainboard of BSE from the BSE SME on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **MARKET MAKING**

The shares offered through this Offer are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer the chapter titled “General Information” beginning on page 52 of this Draft Prospectus.

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## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, our post Offer paid-up capital does not exceed twenty five crore rupees. The Company shall Offer specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE SME). For further details regarding the salient features and terms of such this Offer, please see the chapters titled “Terms of the Offer” and “Offer Procedure” beginning on page 182 and 190 respectively, of this Draft Prospectus.

### OFFER STRUCTURE

Initial Public Offer of up to 69,70,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●] /- per Equity Share (including a Share Premium of [●] per Equity Share), aggregating to ₹ [●] Lakhs comprising of Fresh Offer of up to 37,70,000 Equity shares for Cash at an Offer Price ₹[●] /- per Equity Share aggregating up to ₹ [●] Lakhs by our Company and an offer for sale of up to 32,00,000 Equity Shares for cash at an Offer Price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs by the Selling Shareholders.

The Offer comprises a reservation of up to [●] Equity Shares of face value of ₹ 10/- each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Offer to Public of up to [●] Equity Shares of face value of ₹ 10/- each (“the Net Offer”). The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Offer paid-up equity share capital of the Company. The Offer is being made through the Fixed Price Process

Particulars	Net Offer to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation <sup>(1)</sup>	Up to [●] Equity Share	Up to [●] Equity Shares
Percentage of Offer Size available for Allocation	[●]% of the Offer Size	[●] % of the Offer Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each <sup>(1)</sup>  For further details please refer section titled “Offer Procedure” on page 190 of this Draft Prospectus	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Individual Investors using Syndicate ASBA)	
Mode of Allotment	Compulsorily in dematerialized form	
Minimum Application Size	For Other than Retail Individual Investors:  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹2.00 Lakhs.  For Retail Individuals Investors: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹2.00 Lakhs	[●] Equity Shares
Maximum Application Size	For Other than Retail Individual Investors: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed [●] Equity Shares, subject to applicable limits to the Applicant.  For Retail Individuals Investors: Such number of Equity Shares in multiples of [●] Equity Shares such that the application value does not exceed ₹2.00 Lakhs	[●] Equity Shares
Trading Lot	[●] Equity Shares	[●] Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations.
Who can Apply <sup>(2)</sup>	For Other than Retail Individual Investors:  Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.	Market Maker

	For Retail Individuals Investors: Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs	
Terms of Payment <sup>(3)</sup>	The entire Application Amount will be payable at the time of submission of the Application Form	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

(1) Since present Offer is a fixed price Offer, the allocation in the net Offer to the public category in terms of Regulation 253(2) of the SEBI ICDR Regulations, shall be made as follows:

- (a) Minimum fifty per cent to retail individual investors; and
- (b) Remaining to:
  - i) individual applicants other than retail individual investors; and
  - ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Offer size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.”

(2) In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

(3) In case of ASBA Applicants, the SCSB shall be authorized to block such funds in the bank account of the ASBA Applicant (including Retail Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB.

This Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled “Offer Procedure” beginning on page 190 of this Draft Prospectus.

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## OFFER PROCEDURE

All Applicants should read “the General Information Document for investing in Public Issues” prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the Lead Manager. The document will be updated to reflect the enactments and regulations including then 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. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

Please note that the information stated/covered in this chapter may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with the applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Draft Prospectus.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. 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, 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 has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+3 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline 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. The Issue will be undertaken pursuant to the processes and procedures as may be prescribed by the SEBI from time to time.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The revisions of the circular dated June 02, 2021 are elaborated as under: -

- SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022.
- The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
- In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.
- The Stock Exchanges and Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.

- The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
- Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

Please note that the information stated/covered in this chapter may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Prospectus. Applicant are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

## **FIXED PRICE ISSUE PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Offer Price.

Subject to the valid Applications being received at Offer Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchange or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, our Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

## **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been



discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. This Issue will be made under UPI Phase III of the UPI Circular.

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 LM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in English national daily newspaper and Hindi national daily and Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located, each with wide circulation, on or prior to the Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Bidders using the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful 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 penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Lead Manager.

## **ELECTRONIC REGISTRATION OF BIDS**

- a. The Designated Intermediary may register the Bids using the online facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for fixed price issue on a regular basis before the closure of the Issue.
- b. On the Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as maybe permitted by the Stock Exchange and as disclosed in the Draft Prospectus.
- c. Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange's platform during the Bid/Issue Period after which the Stock Exchange send the bid information to the Registrar to the Issue for further processing.

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

Copies of the Application Form and the Draft Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

The ASBA Applicants shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the 309 ASBA Form; or (II) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected.



Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form *
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis <sup>^</sup>	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>^</sup>	Blue

\*Excluding electronic Bid cum Application Forms

<sup>^</sup>Electronic Bid cum Application forms will also be available for download on the website of BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchange and the Stock Exchange shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank.

For UPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No. 20220803-40 and NSE Circular No. 25/2022, each dated August 3, 2022, for all pending UPI mandate requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00pm on the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/investor complaints to the Sponsor Bank and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

### Submission and Acceptance of Application Forms

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked bank account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application collecting Intermediaries:

- I. An SCSB, with whom the bank account to be blocked, is maintained
- II. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the Stock Exchange as eligible for this activity) (“Broker”)
- III. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- IV. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the Stock Exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (II) to (IV) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of Stock Exchange and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

**For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.**

**SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and blocked funds available in the bank account specified in the form, to the extent of the application money specified.**

**It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.**

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified
<b>For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of Stock Exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange.</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his /her mobile application, associated with UPI ID linked bank account.</p>

Stock Exchange shall validate the electronic application details with depository’s records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock Exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not both), bank code and location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting Intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Draft Prospectus, without prior or subsequent notice of such changes to the Applicants.

## **WHO CAN APPLY?**

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.

**Subject to the above, an illustrative list of Applicants is as follows:**

- Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);



- b. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- c. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d. QIBs;
- e. Mutual Funds registered with SEBI;
- f. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g. 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);
- h. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l. Foreign Venture Capital Investors registered with the SEBI;
- m. 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;
- n. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q. Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r. 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;
- s. Insurance funds set up and managed by army, navy or air force of the Union of India;
- t. Multilateral and bilateral development financial institution;
- u. Eligible QFIs;
- v. Insurance funds set up and managed by army, navy or air force of the Union of India;
- w. Insurance funds set up and managed by the Department of Posts, India;
- x. Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
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 Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (II) outside the United States in offshore transactions in reliance on Regulations S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **For Retail Individual Applicants**

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000.

In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Bid.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non- Institutional Portion.

Applicants are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

##### **Participation By Associates/Affiliates of Lead Manager**

The Lead Manager shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the Lead Manager may Bid for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Lead Manager, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

##### **Option to Subscribe to the Issue**

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

##### **Applications made by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company

Provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded funds, or sector or industry specific schemes.

- No Mutual Fund under all its schemes should own more than 10% of our Company’s paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any Application in whole or in part, in either case without assigning any reason thereof.

The Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Bid can 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 will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

#### **Applications by Eligible NRIs on Repatriation Basis**

**Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (Blue in colour).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non-Resident Forms, should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

**Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.**

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

Our Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs are required to be made in the individual name of the Karta. The Bidder should specify that the Bid 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". Bids by HUFs may be considered at par with Bids from individuals.

#### **Applications by eligible FPIs including FIIs on repatriation basis**

**FPIs including FIIs who wish to participate in the issue are advised to use the application form for non- residents (Blue in colour).**

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) units of schemes floated by a collective investment scheme; (d) derivatives traded on a recognized stock exchange; (e) treasury bills and dated government securities; (f) commercial papers issued by an Indian company; (g) rupee denominated credit enhanced bonds; (h) security receipts issued by asset reconstruction companies; (i) perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) rupee denominated bonds or units issued by infrastructure debt funds; (m) indian depository receipts; and (n) such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

(a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

(b) Nothing contained in clause (a) shall apply to:

I. Any transactions in derivatives on a recognized stock exchange;

II. Short selling transactions in accordance with the framework specified by the SEBI;

III. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

iv. Any other transaction specified by the SEBI.



(c) No transaction on the stock exchange shall be carried forward;

(d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the SEBI;

Provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
- ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
- v. divestment of securities in response to an issue by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depositary Receipts or Global Depositary Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- viii. Any other transaction specified by the SEBI.

(e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- b. Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of our Company.

15. The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue Paid up Capital of our Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Draft Prospectus, no such resolution has been recommended to the shareholders of our Company for adoption.

17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 as amended, amongst others, prescribe the investment restrictions on venture capital funds and foreign venture capital investors, registered with SEBI. The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIFs.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission. **There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

**There is no reservation for Eligible NRI, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**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.**

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

#### **Application by Limited Liability Partnerships**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserve the right to reject any Bid without assigning any reason thereof.

#### **Application by Banking Companies**

In case of Applications made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (II) the approval of such banking company's investment committee are required to be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager, reserves the right to reject any Application without assigning any reason thereof, subject to applicable law.



The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 as amended (“**Banking Regulation Act**”), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks’ own paid-up share capital and reserves, whichever is less.

Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank’s paid up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank’s interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non- financial services company in excess of 10% of such investee company’s paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Applications by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

#### **Application by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **Application by Insurance Companies**

In case of applications made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended (“**IRDAI Investment Regulations**”), 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 ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Application by Provident Funds/ Pension Funds**

In case of Applications made by provident funds/pension funds with minimum corpus of ₹ 2,500 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager reserve the right to reject any Bid, without assigning any reason thereof.

#### **Application under Power of Attorney**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the 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 laws) 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 Application Form. Failing this, our Company and the reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason hereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a. With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b. With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c. With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d. With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.

Our Company in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the Lead Manager, may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice/CANs/letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

*The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchange does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.*

#### **Indicative process flow for Applications in public issue**

#### **ASBA PROCESS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI links.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of Application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the

internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

## **CHANNELS OF SUBMISSION OF APPLICATION FORMS**

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

<b>Category of Investor</b>	<b>Channel I</b>	<b>Channel II</b>	<b>Channel III</b>	<b>Channel IV</b>
<b>Retail Individual Investor (RII)</b>	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
<b>Non-Institutional Investor (NII) including Qualified Institutional Buyer (QIB)</b>	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

## **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

## Application and validation process

- a. submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- c. The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- d. Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- e. Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

## The Block Process

- a. Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- b. The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors 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, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- c. The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account
- d. The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IP.
- e. Upon successful validation of block request by the RII, as above, the said information would be electronically also be displayed on stock exchange platform for information of the intermediary received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- f. The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- g. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- h. RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

## Number of applications per bank account

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for Rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

## How to apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## Mode of payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake Reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment. Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

#### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

#### **Maximum and Minimum Application Size**

The applications in this Issue, being a fixed price issue, will be categorized into two;

##### **1. For Retail Individual Applicants**

The Application must be for a minimum of 3,000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

##### **2. For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of 6,000 Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of 3,000 Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.



Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.**

#### **Receive Equity Shares in Dematerialized Form**

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **Information for the applicants**

- a. Our Company will file the Draft Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b. The Lead Manager will circulate copies of the Draft Prospectus along with the Application Form to potential investors.
- c. Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Draft Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the Registered Office of the Lead Manager.
- d. Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e. Applications made in the name of Minors and/or their nominees shall not be accepted.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations 2018, our Company shall, after filing the Draft Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in English national daily newspaper, Hindi national daily newspaper and Gujarati national daily, Gujarati being the regional language of Gujarat, where our Registered Office is located, each with wide circulation.

#### **Signing of Underwriting Agreement**

The Issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on April 27, 2024.

#### **Filing of the Draft Prospectus with the Roc**

Our Company will file a copy of the Draft Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

#### **Information for the applicants**

- a. **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d. Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 3 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two 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 or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

Our 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 3 working days of the Issue Closing Date. Our Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **Interest and Refunds**

### **Completion of formalities for listing & commencement of trading**

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date. 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. 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, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Grounds for refund**

#### **Non-receipt of listing permission**

An Issuer makes an Application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. The Stock Exchange from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange, the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Draft Prospectus.

In case, our Company fails to obtain listing or trading permission from the Stock Exchange where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from Stock Exchange rejecting the application for listing of specified securities.

The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

### **Minimum subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Draft Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

### **Minimum number of Allottees**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

### **Mode of refund**

Within four Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications. Within 2 (Two) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

### **Letters of Allotment or Refund Orders or instructions to the SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within four Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar,



revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within four Working Days of the Issue Closing Date.

### **Interest in case of delay In Allotment or Refund**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant

### **General instructions**

Do's:

- Check if you are eligible to apply as per the terms of the Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the accountholder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations)
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (II) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Draft Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;



- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

Do not apply for lower than the minimum Application size;

- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application 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);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

#### **GROUND'S 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 may be 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/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange.
- Further, in case of any pre-Offer or post Offer related Offers 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/ Offer 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/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/ 2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking /unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner. The authorized employees of the Designated Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations. For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.



## Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the LM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

### A. INSTRUCTION FOR FILLING THE APPLICATION FORM

#### FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

a. **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

b. **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### 1. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

a. PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

b. PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c. The exemption for the PAN Exempted Applicant 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.

d. Application Forms which provide the General Index Register Number instead of PAN may be rejected.

e. Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

#### 2. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS

a. Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DPID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.

b. Applicants should ensure that the beneficiary account provided in the Application Form is active.

c. Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

d. Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

### 3. FIELD NUMBER 4: APPLICATION OPTIONS

a. Since, this is the Fixed Price Issue and the Price has already been disclosed in the Draft Prospectus, the Applicants should make application at the Offer Price only. For the purpose of this Issue, the Price has been Determined as 48 per Equity Share (including premium of 38 per Equity Share).

b. **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Offer Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.

c. **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of 3,000 Equity Shares to ensure that the minimum Application value is not exceeding ₹2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of 6,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.

d. **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

#### Maximum and Minimum Application Size

e. The Applicants may apply for the desired number of Equity Shares in multiple of 3,000 equity shares at Offer Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for 3,000 equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cutoff Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non- Institutional Category for the purposes of allocation.

f. Application by QIBs and NIIs must be for 6,000 equity shares such that the Application Amount exceeds ₹2,00,000 and in multiples of 3,000 Equity Shares thereafter, as may be disclosed in the Application Form and the Draft Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.

g. RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.

h. In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

i. An Application cannot be submitted for more than the net issue size.

j. The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

#### Multiple Applications

k. Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.

l. Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:

- i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
- ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.

m. **The following Applications may not be treated as multiple Applications:**

- i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
- ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### 4. FIELD NUMBER 5: CATEGORY OF APPLICANTS

- The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Draft Prospectus.
- The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- For Issue specific details in relation to allocation, Applicants may refer to the Draft Prospectus.

#### 5. FIELD NUMBER 6: INVESTOR STATUS

- Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.
- Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- Applicants should ensure that their investor status is updated in the Depository records.

#### 6. FIELD NUMBER 7: PAYMENT DETAILS

- Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- RIIs who make application at Cut-off price shall be blocked on the Cap Price.
- All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

#### Payment instructions for Applicants (other than Anchor Investors)

- From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non-Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

- QIB and NII Applicants may submit the Application Form either;

- to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
- in physical mode to any Designated Intermediary.



- c. Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d. Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- e. Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- f. Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g. Applicants making application through Designated Intermediaries other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- h. Applicants making application directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i. Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j. If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- k. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- l. Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- m. The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n. SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their applications are liable to be rejected.

#### **7. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

- a. Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case maybe, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (II) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (III) the date by which fund transferred to in (II) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.
- b. On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case maybe, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c. In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

#### **Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI Mechanism**

- d. Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- e. RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>

- f. RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g. The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h. Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i. Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j. The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k. The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number /mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l. Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m. RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n. RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- o. Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

#### **Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **8. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a. Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b. In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c. Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

#### **9. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a. Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b. All communications in connection with Application made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact Company Secretary and Compliance Officer of our Company or Lead Manager in case of any other complaints in relation to the Issue
  - iv. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
  - v. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vi. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - vii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c. The following details (as applicable) should be quoted while making any queries –
  - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or
  - iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.



- iv. For further details, Applicants may refer to the Draft Prospectus and the Application Form.

## **B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

- a. During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b. RII may revise / withdraw their Application till closure of the Issue period.
- c. Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d. The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

### **10. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

### **11. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a. Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for 3,000 equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of 3,000 equity shares, in the Revision Form. The Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b. In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c. In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Offer Price.
- d. In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Offer Price is higher than the price disclosed in the Draft Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e. In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

### **12. PAYMENT DETAILS**

- a. All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b. Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c. In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Offer price disclosed in the Draft Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.
- d. In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

### **13. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.

#### **Applicant’s Depository Account and Bank Details**

*Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as ‘Demographic Details’)

or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor our Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Payment by Stock Invest**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **Other instructions**

#### **Joint Applications in case of individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### **Multiple Applications**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. Our Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

## **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB’s in the ASBA system, without any fault on the part of Applicant.**

## **Right to reject applications**

In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, our Company has a right to reject Applications based on technical grounds.

## **Grounds for rejections**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000;
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions
- are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of our Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application
- Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchange;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;

- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

## ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

## DESIGNATED DATE AND ALLOTMENT

- a. Our Company will ensure that the Allotment and credit to the successful Applicants’ depository account will be completed within four Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- b. Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- c. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

## EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, our Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. a tripartite agreement dated February 08, 2024 with NSDL, our Company and Registrar to the Issue;
- b. a tripartite agreement dated May 31, 2024 with CDSL, our Company and Registrar to the Issue;
- c. Our Company’s Equity Shares bear an ISIN: INE0TE101010
- a. An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b. The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s Identification number) appearing in the Application Form or Revision Form.
- c. Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant’s beneficiary account (with the Depository Participant).
- d. Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e. If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.
- f. The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g. It may be noted that Equity Shares in electronic form can be traded only on the Stock Exchange having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h. The trading of the Equity Shares of our Company would be only in dematerialized form.

## COMMUNICATIONS

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 Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Company Secretary and Compliance Officer of our Company 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. at below mentioned addresses;

<b>To the Company</b> <b>3B FILMS LIMITED</b> <b>Registered Office: SF 220 Pancham Icon Besides D-Mart, Vasna Road, Vadodara, Gujarat, India, 390007</b> <b>Contact Person: Janki Raj, Company Secretary and Compliance Officer</b> <b>Telephone: +91 9726216299</b> <b>Email: <a href="mailto:cs@3bfilms.com">cs@3bfilms.com</a></b> <b>Website: <a href="http://www.3bfilms.com">www.3bfilms.com</a></b> <b>CIN: U25200GJ2014PLC080685</b>	<b>To the Registrar to the Issue</b> <b>Maashitla Securities Private Limited</b> <b>CIN: U67100DL2010PTC208725</b> <b>Registered Office: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi -110034, India</b> <b>Telephone: 011-45121795</b> <b>Email: <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a></b> <b>Investor Grievance e-mail: <a href="mailto:investorgrievance@maashitla.com">investorgrievance@maashitla.com</a></b> <b>Website: <a href="http://www.maashitla.com">www.maashitla.com</a></b> <b>Contact Person: Mr. Mukul Agarwal</b>
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## Disposal of applications and application moneys and interest in case of delay

Our Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.



Our Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE Limited where the Equity Shares are proposed to be listed are taken within 3 (Three) working days of closure of the issue.

#### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a. **Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b. **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c. **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, 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 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 that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*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 twenty lakh rupees or with both.*

#### **Basis of Allotment**

Allotment will be made in consultation with BSE 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 oversubscription 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 3,000 equity shares the allotment will be made as follows:
  - a. Each successful applicant shall be allotted 3,000 equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal 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 3,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 3,000 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.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;
  - (a). minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - II) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled "BASIS OF ALLOTMENT".

"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 the SME Platform of BSE Limited.



### **Basis of Allotment in the event of under-subscription**

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% 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 SME Platform of BSE Limited – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **Method of Allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

### **Undertakings by our Company**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (Three) working days of closure of the Issue;
3. that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. Adequate arrangements shall be made to collect all Application forms.

### **Utilization of Issue Proceeds**

The Board of Directors certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in our Company's balance sheet indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
4. Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Companies Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

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## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA.

While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, earlier known as Department of Industrial Policy and Promotion ("**DPIIT**") has issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Foreign investment of upto 100% is currently permitted under the automatic route for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route as per the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits provided under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India, has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Apply for the Issue do not exceed the applicable limits under applicable laws or regulations.**

For further details, see "*Offer Procedure*" beginning on page 190.

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## SECTION IX-DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

### Table F

as notified under Schedule I of the companies Act, 2013 is applicable to the company

### ARTICLES OF ASSOCIATION

### OF

### 3B FILMS LIMITED

### A Company Limited by Shares

### Company to be governed by these Articles

1. The Regulations contained in Table F, in the First Schedule to the Companies Act, 2013 (Table F), as are applicable to a Public Company Limited by Shares, shall apply to this Company, so far as they are not inconsistent with any of the provisions contained in these Articles or modifications thereof and only to the extent that there are no specific provisions in these Articles.

The regulations for the management of the Company and for the observance by the members thereto and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alterations of, or addition to, its regulations by Resolution, as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

### General Powers

2. Wherever in the Act or other laws, it has been provided that the company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is authorized by its articles, then and in that case, this Article authorizes and empowers the Company and its board of directors to have such rights, privileges or authorities to carry such transaction as have been permitted by the Act, without there being any specific article in that behalf and it shall be deemed that the said rights, privileges or authorities are existing in these Articles

### Act to override these Articles in case of inconsistency

3. Notwithstanding anything contained in these Articles, if any provision of these Articles is inconsistent with the provisions of the Act or any other laws or becomes inconsistent or repugnant with the provisions of the Act or any other laws on account of any amendment or modification or statutory re-enactment thereof, the Company shall be governed and bound by, and the Board shall be deemed to be authorized by these Articles to comply with, the provisions of the Act or any other laws to the extent of inconsistency or repugnancy.

### Interpretation Clause

- I. In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.
  - “Act” means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
  - “Annual General Meeting” shall mean a General Meeting of the holders of Equity Shares held annually and any adjournment thereof in accordance with the applicable provisions of the Act.
  - “Articles” shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
  - “Auditors” shall mean and include those persons appointed as such for the time being by the Company.
  - “Board” or “Board of Directors” shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.
  - “Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles and Act.
  - “Business Day” shall mean a day on which scheduled commercial banks are open for normal banking business;
  - “Capital” or “Share Capital” shall mean the authorized share capital of the Company.
  - “Charge” means an interest or lien created on the property or assets of a Company or any of its undertakings or both as security and includes a mortgage.

- **“Chairman / Chairperson”** shall mean Chairman of Board of Directors.
- **“Company” or “this Company”** shall mean **\*3B FILMS LIMITED**.
- **“Company Secretary” or “Secretary”** shall mean a Company Secretary as defined in Section (c) of subsection (1) of Section 2 of the Company Secretary Act, 1980 and who is appointed by a Company to perform the functions of a Company Secretary under this Act.
- **“Debenture”** includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.
- **“Depositories Act”** shall mean The Depositories Act, 2018 and shall include any statutory modification or re-enactment thereof.
- **“Director”** shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.
- **“Dividend”** shall include interim dividends.
- **“Document”** includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
- **“Encumbrance”** shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;
- **“Equity Share Capital”** shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis.
- **“Equity Shares”** shall mean fully paid-up equity shares of the Company having a par value per equity shares of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.
- **“Executor” or “Administrator”** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- **“Extraordinary General Meeting”** shall mean an extraordinary general meeting of the members duly called and constituted and adjourned holding in accordance with the provisions of the Articles and Act.
- **“Financial Year”** shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- **“Law/Laws”** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.
- **“Memorandum”** shall mean the Memorandum of Association of the Company, as amended from time to time.
- **“Member”** – means duly registered holder for the time being of the shares of the Company and in case of shares held in dematerialized form, such person whose name is entered as a beneficial owner in the records of a depository
- **“Month”** means a calendar month.
- **“Office”** shall mean the registered office for the time being of the Company.
- **“Paid-up”** shall include the amount credited as paid up.
- **“Person”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- **“Register of Members”** shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act.
- **“Registrar”** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- **“Rules”** shall mean the rules made under the Act and as notified from time to time.
- **“Seal”** shall mean the common seal(s) for the time being of the Company, if any or any other method of authentication of documents as specified under the Act or amendment thereto.
- **“SEBI”** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- **“SEBI Listing Regulations”** shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.

- **“Securities”** shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.
- **“Shares”** shall mean any share issued in the Share Capital of the Company, including Equity Shares, preference shares and includes stock.
- **“Shareholder”** shall mean any shareholder of the Company, from time to time.
- **“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.
- **“Stock Exchanges”** shall mean the BSE Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities will be / are listed.

### Interpretation

In these Articles (unless the context requires otherwise):

- References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.
- The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
- Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re- enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### Public Company

#### II. (1) “public company” means a company which—

- is not a private company;
- has a minimum paid-up share capital as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles

### Share capital and Variation of Rights

#### III. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

The Board or the Company, as the case may be, may by way of rights issue or preferential offer or private placement or any other manner, subject to and in accordance with Act and the Rules and other applicable law if any, issue further shares to; (a) persons who, at the date of the offer, are holders of equity shares of the Company. Such offer shall, unless disallowed by the Board, be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of other person or; (b) employees under the employees’ stock option or; (c) any person whether or not those persons include the persons referred to in clause (a) or clause (b) above;

The Company may issue securities in any manner whatsoever including by way of a preferential offer / private placement, 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 / or 62 of the Act and rules framed thereunder as amended from time to time.

The Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be

Subject to the provision of the Act and other applicable laws, the Board may increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the shareholders in a General Meeting.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
    - (a) one certificate for all his shares without payment of any charges; or
    - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
  - (ii) Every certificate shall specify the shares to which it relates and the amount of paid-up thereon and shall be signed by two directors or by director and the company secretary, where the company has appointed a company secretary:  
Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign certificate.
  - (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued without payment of fee if the directors so decide or on payment of not exceeding twenty rupees for each certificate as the directors shall prescribe.

Every Certificate shall be issued in such manner as prescribed under the Act or Rules framed thereunder or under other applicable laws applicable from time to time.

The particulars of every renewed or duplicate share certificate issued shall be entered forthwith in a Register of Renewed and Duplicate Share Certificates maintained in prescribed format indicating against the name(s) of the person(s) to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross-references in the "Remarks" column.

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.

- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures and other securities of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
  5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
  6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

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, the 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

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 the Act and Rules framed thereunder.

The Company may provide share-based benefits including but not limited to Stock Options, Stock Appreciation Rights, or any other co-investment share plan and other forms of share-based compensations to Employees including its Directors other than independent directors and such other persons as the rules may allow, under any scheme, subject to the provisions of the Act, the Rules made thereunder and any other law for the time being in force, by whatever name called.

Subject to compliance with applicable provision of the Act and Rules framed thereunder and other applicable laws, the Company shall have power to issue depository receipts and other permissible securities in any foreign country and to seek listing thereof on any foreign stock exchange(s).

The Company may issue warrants subject to compliance with the provisions of the Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any statutory modifications or re-enactment thereof and other applicable laws as may be applicable.

Subject to compliance with applicable provisions of the Act and Rules framed thereunder, the Company shall have power to issue any kind of securities or kinds of share capital as permitted to be issued under the Act and rules framed thereunder.

The provisions of these Articles relating to share capital and variation of rights thereon shall *mutatis mutandis* apply to Debentures and other securities of the Company, as applicable.

The Board shall comply with such Rules or Regulations or Requirements of any stock exchange or the Rules made under Securities Contract (Regulations) Act, 1956 or any other Act or Rules as may be applicable for the purpose of these Articles.

Provided that any restriction, condition or prohibition required to be included in the Articles of Association pursuant to any such Rules, Regulations or Requirements of any stock exchange or the Rules made under Securities Contract (Regulations) Act, 1956 or any other Act and which are not incorporated in these Articles shall be deemed have effect as if such restriction, condition or prohibition are expressly provided by or under these Articles.

Company shall not give whether directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company, save as provided by Section 67 of the Act.

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.

#### **Dematerialization**

- 8A. Subject to the provisions of the Act and Rules made thereunder the Company shall offer its members facility to hold securities issued by it in dematerialized form and will offer the Securities for subscription in dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any, and the register and index of beneficial owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company.

Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the register of members as a holder of any share or whose names appear as beneficial owners of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

Unless otherwise permitted under the Act or the Depositories Act, 1996, the Company shall offer and allot, and every person subscribing to securities offered by the Company shall hold, the securities in dematerialised form with a Depository. The Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in the records the name of the allottee as the beneficial owner of the security. Such a person who is a beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed issue to the beneficial owner the required Certificates of Securities.

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 90 and such other applicable provisions of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner. (b) Save and otherwise provided above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner.

Notwithstanding anything contained in these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

Nothing contained in Section 45 of the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.

### **Lien**

9. (i). 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 or this clause.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- (iii). That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

No Shareholder shall exercise any voting right in respect of any shares or Debentures 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 of lien.

### **Calls on Shares**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board



- (iv) That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits
- 14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- 15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 18. The Board—
  - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **Transfer of Shares**

- 19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 20. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
- 21. The Board may decline to recognise any instrument of transfer unless—
  - (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
- 22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  
 Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **Transmission of Shares**

- 23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
  - (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.



- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

In the case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

Every holder of securities of the Company who intends to transfer such securities shall get such securities dematerialized before the transfer;

Provided that, requests for effecting transfer of securities shall not be processed by the Company unless the securities are held in the dematerialized form with a depository.

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities issued by the Company, affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

### **NOMINATION**

26A.

- a) Notwithstanding anything contained in these 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 Act, shall apply in respect of such nomination.
- b) 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 Act, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014.
- c) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.

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.

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

- a) to be registered himself as holder of the security, as the case may be; or
- b) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;
- c) if the nominee elects to be registered as holder of the security, himself, 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;
- d) 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.

### **Copies of Memorandum and Articles to be sent to Members**

A copy of the Memorandum and Articles of Association of the Company and of any other document referred to in Section 17 of the Act shall be sent by the Company to a Member at his request on payment of Rs. 100 or such reasonable sum for each copy as the Directors may, from time to time, decide. The fees can be waived off by the Company.

### **Borrowing Powers**

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 creditor by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specified purpose) and securities premium account. Nevertheless, no lender or other person dealing with the Company shall be concerned to see or inquire whether this limit is observed.

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.

Subject to the provisions of these Articles 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 by a resolution passed at a meeting of the Directors, and in particular by mortgage, charge, lien of any 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.

Any bonds, debentures, debenture-stock, Global Depository Receipts or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider being for the benefit of the Company.

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

#### **Forfeiture and Surrender of shares**

27. If a member fails to pay any call, or instalment of a call, or any moneys due in respect of any shares either by way of principal or interest on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment any part thereof or other moneys as aforesaid remains unpaid, serve a notice on him or his legal representatives or to any of the Persons entitled to the shares by transmission requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued
28. The notice aforesaid shall—
  - (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.
30.
  - (i) A forfeited share may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.
  - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31.
  - (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
  - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32.
  - (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
  - (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - (iii) The transferee shall thereupon be registered as the holder of the share; and
  - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

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.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
  - (e) Permission for sub-division/ consolidation of share certificates
36. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

#### **Capitalisation of Profits**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—

- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **Proceedings at general meetings**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

47. (i). The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii). No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii). When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

#### **Voting rights**

48. (i). Subject to any rights or restrictions for the time being attached to any class or classes of shares
- (ii). on a show of hands, every member present in person shall have one vote; and
- (iii). on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i). In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii). For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54. (i). No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii). Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, as may be prescribed under the Act and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

58. (a) Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and atleast one (1) Director shall be resident of India in the previous year

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

(b) The first directors of the company are:

- 1) Ashokbhai Dhanjibhai Babariya
- 2) Mukeshbhai Dhanjibhai Babariya
- 3) Nitinbhai Dhanjibhai Babariya

Subject to Article 58(a), Sections 149, 152 and 164 of the Act and other provisions of the Act and other applicable law, the Company may increase or reduce the number of Directors.

The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations or any other Law, if applicable to the Company. The Board shall have an optimum combination of executive, Non-executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

Whenever the Company enters into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for under-writing, the Directors shall have, subject to the provisions of the Act and notwithstanding anything to the contrary contained in these Articles, the power to agree that such appointer, to appoint by a notice in writing addressed to the Company, one or more persons as a Director or Directors of the Company for such period and upon such conditions as may be mentioned in the agreement. Any Director so appointed is herein referred to as a Nominee Director.

a) 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.

b) 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.

The Nominee Director/s shall, notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.

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.

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 but so that the total number of Directors shall not at any time exceed the maximum fixed under these Articles. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting but shall be eligible for appointment by the Company as a Director at that Meeting subject to the provisions of the Act.

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, whose appointment shall be subsequently approved by members in the immediate next general meeting, 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 up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.

The office of a Director shall be deemed to be vacated in accordance with Section 167 of the Act

The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re-appointed a Director by the Board of Directors.

Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated.

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.  
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
  - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
60. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
61. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
62. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

#### Proceedings of the Board

63. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.  
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.  
(iii) At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.  
(iv) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio-visual means, as may be prescribed under the Act, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio-visual means. Any meeting of the Board held through video conferencing or other audio-visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
64. (i) The quorum for a meeting of the Board shall, unless otherwise provided under the Act or other applicable laws, be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.  

Explanation: The expressions “interested Director” shall have the meanings given in Section 184(2) of the said Act and the expression “total strength” shall have the meaning as given in Section 174 of the Act.

Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

  
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
65. 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.
66. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
67. (i) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations or any other Law, if applicable to the Company. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.  
(ii) 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. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
68. (i) A committee may elect a Chairperson of its meetings.



- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
69. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
70. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
71. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **Resolution by Circulation**

72. No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed and has been approved by a majority of the Directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of Directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution approved by way of circulation shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

#### **Powers of the Board**

73. 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 these 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.

#### **Managing and Whole-Time Directors**

(a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time appoint one or more of their body to be a Managing Director, Joint Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Manager either for a fixed term or 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 if any) remove or dismiss him or them from office and appoint another or others in his or their place or places. (b) Subject to the provisions of the Act and these Articles, the Managing Director, or the Whole Time Director shall not, while he continues to hold that office, be subject to retirement by rotation but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as the resignation and removal of any other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to hold the office of Director from any cause, provided that if at any time the number of Directors (including Managing Director or Whole Time Directors) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole Time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation to the intent that the Directors not so liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being. (c) 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.

(b) The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and / or of any contract between him and the Company if any) 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 subject to the provision of section 197 and 198 read with schedule V of the Act.

(c) (a) 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 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. (b) 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. (c) 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 as may be delegated. (d) Subject to the provisions of the Act, The Managing Director or Whole-



time 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 them to any officers of the Company or any persons/firm/company/ other entity for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (e) Notwithstanding anything contained in these Articles, the Managing Director or Whole-time Director is expressly allowed generally to work for and contract on behalf of the Company and especially to do the work of Managing Director or Whole-time Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between them and the Directors of the Company.

#### **Special Remuneration For Extra Services Rendered By A Director**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

#### **Disqualification and Vacation Of Office by A Director**

A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.

Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

#### **Delegation of Powers by the Board**

The Board may, subject to the provisions of Section 179 and other applicable provision of the Act and any other regulations if applicable, delegate its powers to any committee of the Directors, Managing Director(s), or manager or or any other principal officer of the company and it may from time to time revoke the same. Any committee of the Directors, Managing Director(s), or manager or or any other principal officer of the company as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74. Subject to the provisions of the Act,—

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

76.

- a) The Board at their option can provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute or not substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place in or outside India.

#### **Dividends and Reserve**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. 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.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 80.** (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
  - (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 81.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 82.** (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in any other permissible mode under the applicable law 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. The Company shall not be bound to register more than three persons as the joint holders of any share. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 83.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as is by these Articles otherwise expressly provided or by law otherwise 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.
- 84.** 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. A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
- 85.** No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest against the company.

#### **Documents and service of Notices**

- 85A.** Any document or notice to be served or given by the Company be signed by a Director or such person duly authorized by the Board for such purpose and the signature may be written or printed or lithographed or through electronic transmission
- Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, any Key Managerial Personnel or other Authorized Officer of the Company (digitally or electronically) and need not be under the Common Seal of the Company and the signature thereto may be written, facsimile, printed, lithographed, Photostat
- A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by Registered Post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed: Provided that where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode

#### **Accounts**

- 86.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **Winding up**

- 87.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
  - (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **Indemnity**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **Inspection and Extract of Documents**

89. Subject to provisions of the Act and other applicable laws and of these Articles, the Company may allow the inspection of documents, register and returns maintained under the Act to members, creditors and such other persons as are permitted subject to such restrictions as the Board may prescribe and also furnish extract of documents, registers and returns to such persons as are permitted to obtain the same on payment of such fees as may be decided by Board which shall, in no case, exceed the limits prescribed under the Act.

#### **Notice by Advertisement**

- 89A. Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

#### **Copies of Memorandum and Articles to be sent to Members**

- 89B. A copy of the Memorandum and Articles of Association of the Company and of any other document referred to in Section 17 of the Act shall be sent by the Company to a Member at his request on payment of Rs. 100 or such reasonable sum for each copy as the Directors may, from time to time, decide. The fees can be waived off by the Company.

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## SECTION X-OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be filed with the Registrar of Companies for registration. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. (IST) on all Working Days from date of filing of the Draft Prospectus until the Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **1. Material Contracts for the Issue**

- (i). Offer Agreement dated August 16, 2024 entered into between our Company, Selling Shareholders and the Lead Manager.
- (ii). Registrar Agreement dated September 03, 2024 entered into amongst our Company and the Registrar to the Offer.
- (iii). Tripartite Agreement dated February 08, 2024 between our Company, NSDL and the Registrar to the Offer.
- (iv). Tripartite Agreement dated May 31, 2024 between our Company, CDSL and the Registrar to the Offer.
- (v). Syndicate Agreement dated [●] executed between our Company, Selling Shareholders, Lead Manager and Syndicate Member.
- (vi). Share Escrow Agreement dated [●] between our Company, the Promoter Selling Shareholders and the Share Escrow Agent.
- (vii). Banker to the Issue Agreement dated [●] among our Company, Selling Shareholders, Lead Manager, Banker to the Offer and the Registrar to the Offer.
- (viii). Market Making Agreement dated [●] between our Company, Selling Shareholders, Lead Manager and Market Maker.
- (ix). Underwriting Agreement dated [●] amongst our Company, Selling Shareholders 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 September 03, 2014 under the Companies Act, 2013 issued by Registrar of Companies, Ahmedabad.
- (iii) Fresh Certificate of Incorporation dated June 21, 2024 under the Companies Act, 2013 issued by Central Processing Centre, Manesar consequent upon conversion of our Company from a private limited company to a public limited company and subsequent change of name to “3B Films Limited”.
- (iv) Resolution of the Board of Directors dated June 28, 2024 in relation to the Offer.
- (v) Shareholders’ resolution dated July 01, 2024 in relation to the Offer.
- (vi) Resolution of the Board of Directors of the Company dated November 12, 2024 and [●] approving this Draft Prospectus and Prospectus respectively.
- (vii) Peer Review Auditors Report dated September 12, 2024 on Restated Financial Statements of our Company for the four months period ended on July 31, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022.
- (viii) Statement of Tax Benefits dated September 13, 2024, issued by M/s. A O Mittal and Associates, Statutory Auditors to the Company.
- (ix) Copies of the annual reports of our Company for the Fiscals 2024, 2023 and 2022.
- (x) Consent of the Promoters, Directors, Selling Shareholders, Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, Bankers to our Company, Peer Review Auditor, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
- (xi) Consent letter of the Statutory Auditors to include their names as experts in relation to their report dated September 12, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated September 13, 2024 included in this Draft Prospectus.
- (xii) Due Diligence Certificate dated November 12, 2024 issued by the Lead Manager.
- (xiii) Copy of approval from BSE vide letter dated [●] to use the name of BSE in this Draft Prospectus/ the Prospectus for listing of Equity Shares on SME Platform of BSE Limited (‘BSE SME’).

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

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## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Ashokbhai Dhanjibhai Babariya**

**Chairman & Managing Director**

**DIN: 03363509**

Place: Vadodara

Date: November 12, 2024

## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Dishank Nitin Babariya**

**Whole-time Director**

**DIN: 10499582**

Place: Vadodara

Date: November 12, 2024

## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Mukesh Dhanjibhai Babariya**

**Non-Executive Director**

**DIN: 06904399**

Place: Vadodara

Date: November 12, 2024



## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Abhishek Ileshkumar Shah**

**Independent Director**

**DIN: 10048431**

Place: Ahmedabad

Date: November 12, 2024

## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Chintan Hemantkumar Joshi**

**Independent Director**

**DIN: 10513766**

Place: Vadodara

Date: November 12, 2024

## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

**Drashti Laxmikant Solanki**

**Independent Director**

**DIN: 10136197**

Place: Gandhinagar

Date: November 12, 2024

## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

**Dhavalkumar Maheshbhai Panchal**

**Chief Financial Officer**

**PAN: EQHPP7400L**

Place: Vadodara

Date: November 12, 2024

## DECLARATION

I, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

**Janki Raj**

**Company Secretary & Compliance Officer**

**PAN: AWKPK4438Q**

Place: Vadodara

Date: November 12, 2024

## DECLARATION BY SELLING SHAREHOLDER

I, **Ashokbhai Dhanjibhai Babariya**, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I, as a Selling Shareholder, assume no responsibility, for any other statements, disclosures, and undertakings including statements made or confirmed by or relating to the Company, any other Selling Shareholder(s), or any other person(s) in this Draft Prospectus.

Signed by Selling Shareholder

Sd/-

**Ashokbhai Dhanjibhai Babariya**

Place: Vadodara

Date: November 12, 2024

## DECLARATION BY SELLING SHAREHOLDER

I, **Mukeshbhai Dhanjibhai Babariya**, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I, as a Selling Shareholder, assume no responsibility, for any other statements, disclosures, and undertakings including statements made or confirmed by or relating to the Company, any other Selling Shareholder(s), or any other person(s) in this Draft Prospectus.

Signed by Selling Shareholder

Sd/-

**Mukeshbhai Dhanjibhai Babariya**

Place: Vadodara

Date: November 12, 2024



## DECLARATION BY SELLING SHAREHOLDER

I, **Gulabben Nitinbhai Babariya**, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I, as a Selling Shareholder, assume no responsibility, for any other statements, disclosures, and undertakings including statements made or confirmed by or relating to the Company, any other Selling Shareholder(s), or any other person(s) in this Draft Prospectus.

Signed by Selling Shareholder

Sd/-

**Gulabben Nitin Babariya**

Place: Vadodara

Date: November 12, 2024