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Draft Red Herring Prospectus

Dated December 14, 2023

(This Draft Red Herring Prospectus will be updated upon filing with the ROC)

Please read Section 32 of the Companies Act, 2013

100% Book Built Issue



GRETEX SHARE BROKING LIMITED
CORPORATE IDENTITY NUMBER: U65900MH2010PLC289361

| REGISTERED OFFICE | CONTACT PERSON | EMAIL AND TELEPHONE | WEBSITE |
|--|---|---|-----------------------|
| A-401, Floor 4 th , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India | Niket Pradipkumar Thakkar, Company Secretary and Compliance Officer | Email: compliance@gretexbroking.com Tel: 91-22-6930 8500 | www.gretexbroking.com |

OUR PROMOTERS: ALOK HARLALKA, ARVIND HARLALKA, ANITA HARLALKA, RAJKUMARI HARLALKA, POOJA HARLALKA, SASHI HARLALKA, GRETEX CORPORATE SERVICES LIMITED, AMBITION TIE-UP PRIVATE LIMITED AND TALENT INVESTMENT COMPANY PRIVATE LIMITED

DETAILS OF THE OFFER TO THE PUBLIC

| TYPE | FRESH ISSUE SIZE | OFFER FOR SALE SIZE | TOTAL OFFER SIZE | ELIGIBILITY AND RESERVATION |
|-----------------------------------|--|---|---------------------|--|
| Fresh Issue and an Offer for Sale | Up to 1,67,81,915 [^] Equity Shares aggregating up to ₹ [●] million | Up to 30,96,000 Equity Shares aggregating up to ₹ [●] million | Up to ₹ [●] million | The Offer is being made in accordance with Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). For further details, see "Other Regulatory and Statutory Disclosures – Eligibility for the Offer" on page 230. For details in relation to share reservation among QIBs, NIBs and RIBs, see "Offer Structure" on page 249. |

DETAILS OF THE OFFER FOR SALE

| Name of Selling Shareholders | Type | Number of Equity Shares offered / amount (in million) | Weighted Average cost of acquisition (in ₹ per Equity Share) # |
|------------------------------|---------------------|---|--|
| Sashi Harlalka | Selling Shareholder | Up to 8,58,000 Equity Shares aggregating up to ₹ [●] million | 1.07 |
| Sumeet Harlalka | Selling Shareholder | Up to 8,58,000 Equity Shares aggregating up to ₹ [●] million | 1.07 |
| Alok Harlalka HUF | Selling Shareholder | Up to 13,80,000 Equity Shares aggregating up to ₹ [●] million | 5.00 |

As certified by M/s. Gupta Agarwal & Associates, Chartered Accountants, our Statutory Auditor, pursuant to the certificate dated December 14, 2023.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of the Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10. The Floor Price, Cap Price and Offer Price determined by the Company and the Selling Shareholders in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "Basis for Offer Price" on page 96 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their 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 the Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 35.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus solely in relation to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. None of the Selling Shareholders assumes any responsibility for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to the Company or the Company's business or any other Selling Shareholder or any other person.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", and together with BSE, the "Stock Exchanges"). For the purposes of the Offer, the Designated Stock Exchange shall be [●].

BOOK RUNNING LEAD MANAGER

| Logo | Name | Contact Person | Email and Telephone |
|------|--|-------------------|---|
| | Pantomath Capital Advisors Private Limited | Ruchira Singhania | E-mail: gretexbroking.ipo@pantomathgroup.com Tel: +91 22 6194 6700 |

REGISTRAR TO THE OFFER

| Logo | Name | Contact Person | Email and Telephone |
|------|-----------------------------------|-----------------|---|
| | Bigshare Services Private Limited | Babu Rapheal C. | E-mail: ipo@bigshareonline.com Tel: +91 22 6263 8200 |

BID/ OFFER PERIOD

| ANCHOR INVESTOR BID/OFFER PERIOD* | [●] | BID/OFFER OPENS ON* | [●] | BID/OFFER CLOSES ON** | [●]*** |
|-----------------------------------|-----|---------------------|-----|-----------------------|--------|
|-----------------------------------|-----|---------------------|-----|-----------------------|--------|

[^] Subject to finalisation of Basis of Allotment

* The Company and the Selling Shareholders may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

**The Company and the Selling Shareholders may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

***The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.



GRETEX SHARE BROKING LIMITED

The Company was originally incorporated as 'Sherwood Securities Private Limited' as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 29, 2010 issued by the Deputy Registrar of Companies, West Bengal. Subsequently, the name of the Company was changed to 'Gretext Share Broking Private Limited' vide special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on August 21, 2017 and a fresh certificate of incorporation pursuant to change of name dated September 01, 2017 was issued by Registrar of Companies Mumbai. Subsequently, the Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of the Company at the extraordinary general meeting held on August 8, 2023 and the name of the Company was changed to 'Gretext Share Broking Limited' and a fresh certificate of incorporation, consequent upon conversion to a public limited company dated September 4, 2023, was issued to the Company by the Registrar of Companies, Mumbai. For further details of change in name and Registered Office of the Company, please refer to the section titled "History and Certain Corporate Matters" on page 167.

Registered Office:

A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West),
Delisle Road, Mumbai 400013, Maharashtra, India; Tel: +91-22-6930 8500

Contact Person: Niket Pradipkumar Thakkar, Company Secretary and Compliance Officer; E-mail: compliance@gretextbroking.com
Website: www.gretextbroking.com; Corporate Identity Number: U65900MH2010PLC289361

OUR PROMOTERS: ALOK HARLALKA, ARVIND HARLALKA, ANITA HARLALKA, RAJKUMARI HARLALKA, POOJA HARLALKA, SASHI HARLALKA, GRETEX CORPORATE SERVICES LIMITED, AMBITION TIE-UP PRIVATE LIMITED AND TALENT INVESTMENT COMPANY PRIVATE LIMITED

INITIAL PUBLIC OFFER OF UP TO 1,98,77,915 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GRETEX SHARE BROKING LIMITED ("THE COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UPTO ₹ [●] ("OFFER") COMPRISING A FRESH ISSUE OF UPTO 1,67,81,915 EQUITY SHARES AGGREGATING UPTO ₹ [●] (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UPTO 30,96,000 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UPTO ₹ [●] COMPRISING OF UPTO 8,58,000 EQUITY SHARES AGGREGATING UPTO ₹ [●] BY SASHI HARLALKA, UPTO 8,58,000 EQUITY SHARES AGGREGATING UPTO ₹ [●] BY SUMEET HARLALKA, AND UPTO 13,80,000 EQUITY SHARES AGGREGATING UPTO ₹ [●] BY ALOK HARLALKA HUF (COLLECTIVELY, "SELLING SHAREHOLDERS" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, MAY CONSIDER A FURTHER ISSUE OF EQUITY SHARES AS MAY BE PERMITTED UNDER APPLICABLE LAW TO ANY PERSON(S) OF UPTO 33,12,985 EQUITY SHARES FOR AN AMOUNT AGGREGATING UP TO ₹ [●], AT ITS DISCRETION, PRIOR TO THE FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE FRESH ISSUE SIZE WILL BE REDUCED TO THE EXTENT OF SUCH PRE-IPO PLACEMENT, SUBJECT TO COMPLIANCE WITH RULE 19(2) (B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (THE "SCRR").

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BIDLOT WILL BE DECIDED BY THE COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE AND NSE (TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

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

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that the Company and Selling Shareholders in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by the Company and Selling Shareholders, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"). In the event of undersubscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("Non-Institutional Portion") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("Retail Portion"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("ASBA") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or pursuant to the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of the Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10. The Floor Price, Cap Price and Offer Price determined by the Company and the Selling Shareholders in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "Basis for Offer Price" on page 96 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of the Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to "Risk Factors" on page 35.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") together with BSE, the "Stock Exchanges". For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, please refer to the section titled "Material Contracts and Documents for Inspection" on page 308.

BOOK RUNNING LEAD MANAGER



Pantomath Capital Advisors Private Limited

Pantomath Nucleus House,
Saki-Vihar Road, Andheri (East)
Mumbai 400 072
Maharashtra, India
Tel: +91 22 6194 6700
E-mail: gretextbroking_ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Investor grievance e-mail: investors@pantomathgroup.com
Contact Person: Ruchira Singhania
SEBI Registration No.: INM000012110

REGISTRAR TO THE OFFER



Bigshare Services Private Limited

S62, 6th Pinnacle Business Park,
Mahakali Caves Road, Next to Ahura Centre,
Andheri East, Mumbai – 400093
Maharashtra, India
Tel: +91 22 6263 8200
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Investor grievance e-mail: investor@bigshareonline.com
Contact Person: Babu Rapheal C.
SEBI Registration No.: INR000001385

BID / OFFER PROGRAMME

BID / OFFER OPENS ON*

[●]

BID / OFFER CLOSES ON**

[●]***

* The Company and the Selling Shareholders may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

**The Company and the Selling Shareholders may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

***The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring 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 our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, as amended 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 Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined below). In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

Notwithstanding the foregoing, terms used in “Basis for Offer Price”, “Statement of Special Tax Benefits”, “Industry Overview”, “Our Business”, “Key Regulations and Policies in India”, “Outstanding Litigations and Material Developments”, “Restated Consolidated Financial Statement” and “Description of Equity Shares and Terms of Articles of Association” on pages 96, 103, 106, 151, 160, 219, 203 and 277 respectively, of this Draft Red Herring Prospectus shall have the meaning ascribed to such terms in those respective sections.

General Terms

| Term | Description |
|--|--|
| “Company”, “our Company”, “the Company”, “the Issuer” “GSBL” | Gretex Share Broking Limited, a company incorporated under the provision of Companies Act, 1956, having its registered office at A-401, Floor 4 th , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India. |
| “we” or “us” or “our” | Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiary on a consolidated basis. However, for the purpose of the Restated Consolidated Financial Statements, all references to such terms includes our Company, our Subsidiary, which existed as at and during the 4 (four) months period ended July 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 |
| “you”, “your” or “yours” | Prospective Investors/Bidder in this Offer. |

Company and Selling Shareholder Related Terms

| Term | Description |
|---|---|
| “Articles of Association” or “AoA” | Articles of association of our Company, as amended from time to time. |
| “Audit Committee” | The Audit Committee of our Board, as described in “Our Management – Board Committees in accordance with the SEBI Listing Regulations– Audit Committee” on page 179 of this Draft Red Herring Prospectus. |
| “Auditors” or “Statutory Auditors” | Statutory auditors of our Company, namely, M/s. Gupta Agarwal & Associates. |
| “Board or “Board of Directors” or “our Board” | The Board of Directors of our Company unless otherwise specified or any committee constituted thereof. |
| “CareEdge Advisory” | CARE Analytics and Advisory Private Limited |
| “CareEdge Report” | Industry Report titled “ <i>Industry Report on Capital Markets & Stock Broking</i> ” dated December 2023 and prepared and released by CareEdge Advisory. The CareEdge Report has been commissioned and paid for by our Company and has been exclusively prepared for the purpose of the Offer. The CareEdge Report is also available at our Company’s website at |

| | |
|---|--|
| | https://gretexbroking.com/ . |
| “Chairman and Joint Managing Director” | Chairman & Joint Managing Director of our Board, being Alok Harlalka |
| “Chief Financial Officer” or “CFO” | The Chief Financial Officer of our Company, being Deepak Navinchandra Shah. |
| “Company Secretary and Compliance Officer” | The Company Secretary and Compliance Officer of our Company, being Niket Pradipkumar Thakkar |
| “Corporate Social Responsibility Committee” or “CSR Committee” | Corporate Social Responsibility committee of our Board, as described in “ <i>Our Management – Committees of the Board</i> ” on page 184 of this Draft Red Herring Prospectus. |
| “Director(s)” | Director(s) on the Board. |
| “Equity Shares” | The equity shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof. |
| “Group Company(ies)” | Group company(ies) of our Company, identified in terms of SEBI ICDR Regulations. For details of our Group Companies, see “ <i>Our Group Companies</i> ” on 199 of this Draft Red Herring Prospectus. |
| “Independent Director(s)” | Independent Directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” on page 172 of this Draft Red Herring Prospectus. |
| “ISIN” | International Securities Identification Number, being INE0QB201014 |
| “Key Managerial Personnel” or “KMP” | Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 185 of this Draft Red Herring Prospectus. |
| “MD” or “Managing Director” | The Managing Director of our Company, being Arvind Harlalka. |
| “Materiality Policy” | The policy adopted by our Board pursuant to its resolution dated September 05, 2023 for identification of: (a) material outstanding litigations; (b) Group Company(ies); and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations. |
| “MOA” or “Memorandum” or “Memorandum of Association” or “MoA” | The Memorandum of Association of our Company, as amended from time to time. |
| “Nomination and Remuneration Committee” | The nomination and remuneration committee of our Board, as described in “ <i>Our Management - Board Committees – Nomination and Remuneration Committee</i> ” on page 185 of this Draft Red Herring Prospectus. |
| “Promoter(s)” | The Promoters of our Company being Alok Harlalka, Arvind Harlalka, Anita Harlalka, Pooja Harlalka, Rajkumari Harlalka, Sashi Harlalka, Gretex Corporate Services Limited, Ambition Tie-Up Private Limited and Talent Investment Company Private Limited. |
| “Promoter Group” | The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 188 of this Draft Red Herring Prospectus. |
| “Registered Office” | Registered office of the Company is situated at A-401, Floor 4 th , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India. |
| “Registrar of Companies” or “RoC” | Registrar of Companies, Mumbai situated at 100 Everest, Marine Drive, Mumbai 400002 |
| “Restated Consolidated Financial Statements” or “Restated Consolidated Financial Information” | The restated consolidated financial statements of our Company, its Subsidiary, comprising the Restated Consolidated Statement of Assets and Liabilities as at 4 (four) months period ended July 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statements of Profit and Loss (including other comprehensive income), the restated consolidated statement of changes |

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| | <p>in Equity, the Restated Consolidated Cash Flow Statement as at 4 (four) months period ended July 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, and the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time.</p> <p>For details, see “<i>Restated Consolidated Financial Statements</i>” on page 203 of this Draft Red Herring Prospectus.</p> |
| Selling Shareholders | Collectively, Sashi Harlalka, Sumeet Harlalka and Alok Harlalka HUF |
| “Senior Management Personnel” or “SMP” | Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations and as disclosed in “Our Management –Key Managerial Personnel and Senior Management” on page 185 of this Draft Red Herring Prospectus. |
| “Shareholders” or “members” | The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares. |
| “Stakeholders” Relationship Committee” | The stakeholders’ relationship committee of our Board, as described in “ <i>Our Management</i> ” on page 185 of this Draft Red Herring Prospectus. |
| “Subsidiary” | Subsidiary of our Company namely, Signageus Value Advisors Private Limited. |
| “Whole-time Director(s)” | Whole-time director(s) of our Company, as described in “Our Management” on page 172 of this Draft Red Herring Prospectus. |

Offer Related Terms

| Term | Description |
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| “Abridged Prospectus” | Abridged Prospectus means a memorandum containing salient features of a prospectus as may be specified by the SEBI in this behalf. |
| “Acknowledgement Slip” | The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form. |
| “Allot” or “Allotment” or “Allotted” | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Offer of Equity Shares to the successful Applicants. |
| “Allotment Advice” | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| “Allottee” | A successful Bidder to whom the Equity Shares are Allotted. |
| “Anchor Investor” | A Qualified Institutional Buyer, who applied under the Anchor Investor Portion with a minimum Bid of Rs. 100 million in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus. |
| “Anchor Escrow Account(s)” or “Escrow Account(s)” | Account opened with Anchor Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid. |
| “Anchor Investor Allocation Price” | The price at which the Equity Shares will be allocated to the Anchor Investors in terms of this Draft Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date. |
| “Anchor Investor Application Form” | The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus. |
| “Anchor Investor Bid/Offer Period” or “Anchor Investor Bidding Date” | [●] being 1 (one) Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, and allocation to Anchor Investors shall be completed. |
| “Anchor Investor Offer Price” | The final price at which the Equity Shares will be Allotted to the Anchor |

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| | Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLM. |
| “Anchor Investor Pay-in Date” | With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, a date not later than 2 (two) Working Days after the Bid/Offer Closing Date. |
| “Anchor Investor Portion” | Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. |
| “Application Supported by Blocked Amount” or “ASBA” | An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism. |
| “ASBA Account” | A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism. |
| “ASBA Bid” | A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. |
| “ASBA Bidders” | All Bidders except Anchor Investors. |
| “ASBA Form” | An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus. |
| “Banker(s) to the Offer” | Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Issue Account Bank(s) and Sponsor Bank. |
| “Basis of Allotment” | Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” on page 253 of this Draft Red Herring Prospectus. |
| “Bid” | An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term “Bidding” shall be construed accordingly. |
| “Bid Amount” | The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer. |
| “Bid cum Application Form” | The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus, including ASBA Form. |
| “Bid Lot” | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. |
| “Bid/Offer Closing Date” | Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be notified in all editions of English national daily newspaper, [●], Hindi national daily newspaper, [●] and a Marathi regional daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located). In case of any revisions, the extended Bid/Offer Closing Date will be widely |

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| | <p>disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank.</p> <p>Our Company, in consultation with the Selling Shareholders and Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.</p> |
| “Bid/Offer Opening Date” | <p>Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] which shall be notified in all editions of English national daily newspaper, [●], Hindi national daily newspaper, and Marathi regional daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located).</p> <p>In case of any revision, the extended Bid/Offer Opening Date will also be widely disseminated by notification the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).</p> |
| “Bid/Offer Period” | <p>Except in relation to the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of three Working Days.</p> <p>Our Company, in consultation with the Selling Shareholders and the BRLM, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.</p> |
| “Bidder” or “Investor” or “Applicant” | Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied and includes an Anchor Investor. |
| “Bidding Centers” | Centers at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs. |
| “Book Building Process” | The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made. |
| “Book Running Lead Manager” or “BRLM” | The book running lead manager to the Offer, being Pantomath Capital Advisors Private Limited, SEBI registered Category-I Merchant Banker. |
| “Broker Centers” | Broker centers of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com . |
| “CAN” or “Confirmation of Allocation Note” | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period. |
| “Cap Price” | The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price. |
| “Cash Escrow and Sponsor Bank Agreement” | Agreement dated [●] entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLM, the Syndicate Member, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors, transfer |

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| | of funds to the Public Issue Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof, in accordance with the UPI Circulars. |
| “Client ID” | Client identification number maintained with one of the Depositories in relation to dematerialised account. |
| “Collecting Depository Participant” or “CDP” | A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular no. CIR /CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars and as per the list available on the websites of BSE and NSE. |
| “Cut-off Price” | Offer Price, authorized by our Company, in consultation with the Selling Shareholder and BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price. |
| “Demographic Details” | Details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation and bank account details and UPI ID, wherever applicable. |
| “Depository(ies)” | A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996. |
| “Depository Participant” or “DP” | A depository participant as defined under the Depositories Act. |
| “Designated CDP Locations” | Such locations of the CDPs where Bidders submitted the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com). |
| “Designated Date” | The date on which the Escrow Collection Banks transfer funds from the Escrow 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, where made available, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue. |
| “Designated Intermediary(ies)” | In relation to ASBA Forms submitted by RIIs and NIIs with an application size of upto ₹0.5 million (not using the UPI Mechanism) authorizing 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, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and CRTAs. |
| “Designated RTA Locations” | Such locations of the CRTAs/RTAs where Bidders can submit the Bid cum Application Forms. 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 of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| “Designated SCSB Branches” | Such branches of the SCSBs which shall collect the ASBA Forms (other than |

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| | ASBA Forms submitted by RIIs where the Bid 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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time. |
| “Designated Stock Exchange” | [●] |
| “DP ID” | DP ID Depository Participant’s identity number. |
| “Draft Red Herring Prospectus” or “DRHP” | This draft red herring prospectus dated December 14, 2023, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto. |
| “Eligible FPIs” | FPIs that are eligible to participate in this Offer in terms of applicable laws, other than individuals, corporate bodies and family offices. |
| “Eligible NRI(s)” | A non-resident Indian, under Schedule 3 and Schedule 4 of the FEMA Non-Debt Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares. |
| “Escrow Account(s)” | Account opened with the Escrow Collection Bank and in whose favor the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid. |
| “Escrow Collection Bank(s)” or “Anchor Escrow Bank” | Banks which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being [●]. |
| “First or Sole Bidder” | Bidder whose name shall be mentioned in the Bid cum 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. |
| “Floor Price” | The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares. |
| “Fraudulent Borrower” | Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations. |
| “Fresh Issue” | The fresh issue component of the Offer comprising of an issuance by our Company of up to 1,67,81,915 Equity Shares at ₹ 10/- per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million. |
| “Fugitive Economic Offender” | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018. |
| “General Information Document” | 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 suitably modified and updated pursuant to, among others, the SEBI Circular no.SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM. |
| “Mobile Applications” | The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 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 Fund Portion” | 5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price. |

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| “Mutual Funds” | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. |
| “Net Proceeds” | Proceeds of the Fresh Issue less our Company’s share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer related expenses, see “Objects of the Offer” on page 86 of this Draft Red Herring Prospectus. |
| “Net QIB Portion” | The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors. |
| “Non-Institutional Portion” | The portion of the Net Offer being not less than 15% of the Net Offer consisting of [●]* Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹ 0.2 million subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Offer Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1 million; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. <i>*Subject to finalization of Basis of Allotment.</i> |
| “Non-Institutional Investors” or “Non-Institutional Bidders” or “NIIs” or “NIBs” | All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 0.2 million (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 |
| “Non-Resident Indians” or “NRI(s)” | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs. |
| “OCB” or “Overseas Corporate Body(ies)” | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer. |
| “Offer” | Initial public offering of up to 1,98,77,915 Equity Shares for cash at a price of ₹ 10 per Equity Share aggregating up to ₹ [●] comprising the Fresh Issue and the Offer for Sale. |
| “Offer Agreement” | Agreement dated December 14, 2023 entered between our Company, the Selling Shareholders and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Offer. |
| “Offer for Sale” | The Offer for Sale component of the Offer, comprising of an offer for sale of up to 30,96,000 Equity Shares at ₹ 10 per Equity Share aggregating to ₹[●] by the Selling Shareholders. |
| “Offer Price” | The final price at which Equity Shares will be Allotted to successful Bidders other than Anchor Investors in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the Selling Shareholders and the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus. |
| “Offer Proceeds” | The proceeds of the Offer, which shall be available to our Company and the Selling Shareholders. For details about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page |

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| | 86 of this Draft Red Herring Prospectus. |
| “Person(s)” | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, 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 of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band, and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the Selling Shareholder and the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●], an English national daily newspaper and [●] editions of [●], a Hindi national daily newspaper and [●], a Marathi national daily newspaper, (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. |
| “Pricing Date” | The date on which our Company in consultation with the Selling Shareholders and the BRLM, will finalize the Offer Price. |
| “Prospectus” | Prospectus dated [●] to be filed with the RoC for this Offer on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto. |
| “Public Offer Account” | Bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date. |
| “Public Offer Account Bank(s)” | Bank(s) which are a clearing member and registered with SEBI as a banker to an offer and with whom the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●]. |
| “QIB Category” or “QIB Portion” | The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer consisting of [●]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors). <i>*Subject to finalization of Basis of Allotment</i> |
| “Qualified Institutional Buyers” or “QIBs” or “QIB Bidders” | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations. |
| “Red Herring Prospectus” or “RHP” | The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC at least three Working Days before the Bid /Offer Opening Date and became the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto. |
| “Refund Account” | The 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” | The Banker to the Offer with whom the Refund Account has been opened, in this case being [●]. |
| “Registered Brokers” | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of circular number CIR / CFD / 14 / 2012 dated October 14, 2012, and other applicable circulars issued by SEBI. |

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| “Registrar Agreement” | The agreement dated December 14, 2023 entered between our Company, the Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer. |
| “Registrar and Share Transfer Agents” or “RTAs” | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE |
| “Registrar to the Offer” or “Registrar” | Bigshare Services Private Limited |
| “Resident Indian” | A person resident in India, as defined under FEMA |
| “Retail Portion” | The portion of the Net Offer being not less than 35% of the Net Offer comprising of [●]* Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price. <i>*Subject to finalization of Basis of Allotment</i> |
| “Retail Individual Investors” or “RIIs” or “Retail Individual Bidders” or “RIBs” | Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Offer was not more than Rs 0.2 million in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs). |
| “Revision Form” | The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB Category and Non-Institutional Investors bidding in the Non-Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bids during Bid / Offer period and withdraw their Bids until Bid / Offer Closing Date. |
| “Self-Certified Syndicate Bank(s)” or “SCSB(s)” | (i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time. (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 Applications through UPI in the Offer can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time. |
| “Specified Locations” | Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form. |
| “Specified Securities” | Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations. |
| “Sponsor Bank” | A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Offer in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and |

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| | carry out other responsibilities in terms of the UPI Circulars, in this case being [●]. |
| “Stock Exchanges” | BSE Limited and National Stock Exchange of India Limited. |
| “Sub-Syndicate Members” | The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms. |
| “Syndicate Agreement” | Agreement to be entered into among our Company, the Registrar to the Offer, Selling Shareholder, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate. |
| “Syndicate Members” | Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case [●] |
| “Syndicate or members of the Syndicate” | Together, the BRLM and the Syndicate Members. |
| “Systemically Important Non-Banking Financial Company” | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations. |
| “Underwriters” | [●] |
| “Underwriting Agreement” | The agreement dated [●] entered between the Underwriters, Selling Shareholder and our Company to be entered into on or after the Pricing Date but prior to filing of Prospectus. |
| “UPI” | Unified payments interface which is an instant payment mechanism, developed by NPCI. |
| “UPI Bidders” | Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Bidders with an application size of up to ₹ 0.5 million 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 Agent. 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 ₹ 0.5 million 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 website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity). |
| “UPI Circulars” | Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number 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 circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular. No. SEBI/HO/CFD/TPD1 /CIR/P/2023/140 dated August 9, 2023 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE |

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|-----------------------|--|
| | Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time. |
| “UPI ID” | ID created on the UPI for single-window mobile payment system developed by the NPCI. |
| “UPI Mandate Request” | A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment. |
| “UPI Mechanism” | The Bidding mechanism that is used by UPI Bidders to make Bid in the Offer in accordance with the UPI Circulars |
| “Wilful Defaulter” | A wilful defaulter as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations. |
| “UPI PIN” | Password to authenticate UPI transaction. |
| “Working Day” | All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars |

Technical / Industry related terms

| Term | Description |
|------|---|
| ADTO | Average Daily Turnover |
| AE | Advance estimates |
| AUM | Assets under Management |
| BFSI | Banking, Financial Services and Insurance |
| BSE | BSE Limited |
| CAGR | Compound Annual Growth Rate |
| CD | Currency Derivative |
| CPI | Consumer Price Index |
| CSO | Central Statistics Office |
| CY | Current Year |
| EEs | Eligible Entities |
| EBIT | Earnings Before Interest And Tax |
| ETFs | Exchange-Traded Funds |
| FII | Foreign Institutional Investors |
| FPO | Further Public Offer |
| GDP | Gross Domestic Product |
| GFCF | Gross Fixed Capital Formation |
| GNDI | Gross National Disposable Income |
| GVA | Gross Value Added |
| HNI | High Net-Worth Individuals |
| IBT | Internet Based Trading |
| IFA | Independent Financial Accountants |
| IIP | The Index of Industrial Production |
| IPO | Initial Public Offer |

| Term | Description |
|-------------|--|
| MCA | Ministry of Corporate Affairs |
| MCX | Multi Commodity Exchange |
| MF | Mutual Fund |
| MoSPI | Ministry of Statistics and Programme Implementation |
| MOU | Memorandum of Understanding |
| MPC | Monetary Policy Committee |
| MSF | Marginal Standing Facility |
| M&A | Mergers And Acquisitions |
| NBFC | Non-Banking Financial Institution |
| NCDEX | National Commodity & Derivatives Exchange Limited |
| NISM | National Institute Of Securities Markets |
| NM | Not meaningful due to high negative values |
| NNI | Net National Income |
| NSO | National Statistical Office |
| OECD | Organisation for Economic Co-operation and Development |
| PDS | Public Distribution System |
| PE | Provisional estimates |
| PFCE | Private final consumption expenditure |
| PLI | Production-Linked Incentive |
| PMS | Portfolio Management Services |
| PSE | Public Sector Enterprises |
| PSU | Public Sector Undertakings |
| QIP | Qualified Institutional Placements |
| RBI | Reserve Bank of India |
| RE | Revised estimates |
| ROE | Return On Equity |
| ROCE | Return On Capital Employed |
| SBTS | Screen-Based Trading System |
| SDF | Standing Deposit Facility |
| SME | Small And Medium Enterprises |
| SWOT | Strength, Weakness, Opportunity And Threat |
| T-Bill / TB | Treasury Bill |
| UHNI | Ultra-High Net-Worth Individuals |
| y-o-y | Year-On-Year |

Conventional and General Terms / Abbreviations

| Term | Description |
|-----------------------------------|--|
| “₹” or “Rs.” Or “Rupees” or “INR” | Indian Rupees. |
| “A.Y.” or “AY” | Assessment Year. |
| “A/C” | Account. |
| “AGM” | Annual general meeting. |
| “AIF(s)” | An alternative investment fund as defined in, and registered with SEBI under, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. |
| “AS” or “Accounting Standard” | Accounting Standards as issued by the Institute of Chartered Accountants of India. |
| “Associate” | A person who is an associate of the issuer and as defined under the Companies Act, 2013. |

| Term | Description |
|--|---|
| “Authorized Dealers” | Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000. |
| “Bn” or “bn” | Billion. |
| “BSE” | BSE Limited. |
| “CAGR” | Compound Annual Growth Rate. |
| “Category I FPI” | FPIs registered as “Category I foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019. |
| “Category II FPI” | FPIs registered as “Category II foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019. |
| “CDSL” | Central Depository Services (India) Limited. |
| “CIN” | Corporate Identity Number. |
| “Companies Act, 1956” | The erstwhile Companies Act, 1956 along with the relevant rules made thereunder. |
| “Companies Act, 2013” or “Companies Act” | Companies Act 2013, as amended read with rules, regulations, clarifications and modifications thereunder. |
| “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. |
| “Consolidated FDI Policy” | The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time. |
| “Control” | Control as defined under the Takeover Regulations, and the term “Controlled” shall be construed accordingly. |
| “Copyright Act” | Copyright Act, 1957. |
| “CPC” | Code of Civil Procedure, 1908 |
| “CrPC” | Code of Criminal Procedure, 1973. |
| “CSR” | Corporate Social Responsibility. |
| “CY” | Calendar year. |
| “Debt to Equity Ratio” | Debt equity ratio is calculated as total borrowings divided by total equity. |
| “Depositories Act” | The Depositories Act, 1996. |
| “Depository” | A depository registered with under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996. |
| “DIN” | Director Identification Number. |
| “DPIIT” | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (<i>formerly Department of Industrial Policy and Promotion</i>), GoI. |
| “DP ID” | Depository Participant’s identity number. |
| “EBITDA” | Earnings before interest, taxes, depreciation and amortisation excluding other income. |
| “EBITDA Margin” | EBITDA Margin is the percentage of EBITDA divided by revenue from operations. |
| “EGM” | Extraordinary general meeting. |
| “EPS” | Earnings per share. |
| “Euro” or “EUR” | Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community. |
| “FCNR” | Foreign currency non-resident account. |
| “FDI” | Foreign direct investment. |
| “FDI Circular” | The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from |

| Term | Description |
|--|---|
| | October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time. |
| “FEMA” | The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder. |
| “FEMA Non-Debt Rules” | Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended. |
| “Financial Year” or “Fiscals” or “fiscal year” | The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. |
| “FPIs” | A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations. |
| “FVCI” | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI. |
| “GDP” | Gross Domestic Product. |
| “GoI” or “Government” | Government of India. |
| “GST” | Goods and services tax. |
| “HUF(s)” | Hindu Undivided Family(ies). |
| “ICAI” | Institute of Chartered Accountants of India, New Delhi. |
| “IFRS” | International Financial Reporting Standards of the International Accounting Standards Board. |
| “IMF” | International Monetary Fund. |
| “Income Tax Act” | Income-tax Act, 1961, read with the rules framed thereunder. |
| “Income Tax Rules” | Income-tax Rules, 1962, as amended. |
| “Ind AS” | The Indian Accounting Standards referred to in the Companies Act 2013 and Companies (Indian Accounting Standard) Rules, 2015, as amended. |
| “Indian GAAP” | Generally Accepted Accounting Principles in India. |
| “INR” or “Rupee” or “₹” or “Rs.” | In Rupee, the official currency of the Republic of India. |
| “Ind AS 24” | Indian Accounting Standard 24 issued by the ICAI. |
| “IRDAI” | Insurance Regulatory and Development Authority of India. |
| “IST” | Indian Standard Time. |
| “MCA” | The Ministry of Corporate Affairs, Government of India. |
| “Mn” | Million. |
| “Mutual Funds” | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. |
| “N.A.” or “NA” | Not Applicable. |
| “NACH” | National Automated Clearing House. |
| “NAV” | Net Asset Value. |
| “NEFT” | National Electronic Fund Transfer. |
| “NPCI” | National Payments Corporation of India. |
| “NRE accounts” | NRI Non-Resident External account. |
| “NRI” or “Non-resident Indian” | A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an “Overseas Citizen of India” cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955. |
| “NRO accounts” | Non-Resident Ordinary accounts. |
| “NSDL” | National Securities Depository Limited. |
| “NSE” | National Stock Exchange of India Limited. |

| Term | Description |
|-------------------------------------|--|
| “OCB” or “Overseas Corporate Body” | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer. |
| “P/E Ratio” | Price/Earnings Ratio. |
| “p.a.” | Per annum. |
| “PAN” | Permanent account number. |
| “PAT” | Profit after tax. |
| “PCB(s)” | Pollution Control Board(s). |
| “Provident Fund” | Provident fund for employees managed by the Employee’s Provident Fund Organisation in India. |
| “RBI” | Reserve Bank of India. |
| “Regulation S” | Regulation S under the U.S. Securities Act. |
| “RoC” or “Registrar of Companies” | The Registrar of Companies, Mumbai. |
| “RoNW” | Return on Net Worth. |
| “RTGS” | Real Time Gross Settlement. |
| “SCRA” | Securities Contract (Regulation) Act, 1956. |
| “SCRR” | The Securities Contracts (Regulation) Rules, 1957. |
| “SCSB” | Self-Certified Syndicate Bank. |
| “SCORES” | Securities and Exchange Board of India Complaints Redress System. |
| “SEBI” | Securities and Exchange Board of India established under Section 3 of the SEBI Act, as amended. |
| “SEBI Act” | Securities and Exchange Board of India Act, 1992, as amended. |
| “SEBI AIF Regulations” | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. |
| “SEBI FPI Regulations” | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended. |
| “SEBI FVCI Regulations” | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended. |
| “SEBI ICDR Regulations” | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| “SEBI Listing Regulations” | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. |
| “SEBI Merchant Bankers Regulations” | Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended. |
| “State Government” | The government of a state in India. |
| “STT” | Securities transaction tax. |
| “Takeover Regulations” | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. |
| “TAN” | Tax deduction account number. |
| “TDS” | Tax deducted at source. |
| “U.S.” or “United States” | The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia. |
| “U.S. Securities Act” | United States Securities Act of 1933, as amended |
| “VAT” | Value added tax. |
| “VCFs” | Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be. |

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

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

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

Financial Data

Unless stated or the context requires otherwise, the financial data and financial ratios in this Draft Red Herring Prospectus are derived from our Restated Consolidated Financial Statements of our Company, Subsidiary, comprising the restated consolidated statement of assets and liabilities as at 4 (four) months period ended July 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the Restated Consolidated Cash Flow Statement for the 4 (four) months period ended July 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, and the summary statement of significant accounting policies, and other explanatory information of our Company derived from audited financial statements as at and for the four months period ended July 31, 2023, each prepared in accordance with Ind AS 34 – Interim Financial Reporting and our audited financial statements as at July 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of the sub-Section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. For details, see “Financial Information” on page 203 of this Draft Red Herring Prospectus.

All the figures in this Draft Red Herring Prospectus have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year or FY, unless stated otherwise, are to the 12 months period ended March 31 of such year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year. Certain other financial information pertaining to our Group Companies are derived from their respective audited financial statements.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is

urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "*Risk Factors – Certain non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies*" on page 45 of this Draft Red Herring Prospectus. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian accounting policies and practices, the Companies Act, 2013 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 Red Herring Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources. Unless the context otherwise indicates, any percentage or amounts (excluding certain operational metrics), with respect to financial information of our Company in "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 35, 151 and 208, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from the Restated Consolidated Financial Statement.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 35, 151 and 208, respectively, of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring Prospectus have been derived from the Restated Consolidated Financial Statement or non-GAAP financial measures as described below.

Non-GAAP Financial Measures

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Gross Profit, Gross Profit Margin, PAT Margin, CAGR Net Asset Value per Equity Share, Return on Net worth, Net worth, EBIT, Capital Employed, Return on Capital Employed and others ("Non-GAAP Measures"), have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP financial measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP financial measures are not standardised terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies and hence have limited usefulness as a comparative measure. For details, see "*Risk Factors – Internal Risk Factors – Certain non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.*" on page 45 of this Draft Red Herring 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.

Unless otherwise stated, our Company has presented all numerical information in this Draft Red Herring Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in million. One lakh represents 1,00,000 and one million represents 10,00,000.

Figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed

in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Draft Red Herring Prospectus may contain conversion 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.

Unless otherwise stated, the following table sets forth, for the periods indicated, information with respect to the exchange rate between Rupee and US\$:

| Currency | As on July 31, 2023 | As on March 31, 2023 | As on March 31, 2022 | As on March 31, 2021 |
|----------|---------------------|----------------------|----------------------|----------------------|
| 1 US\$ | 82.25 | 82.22 | 75.81 | 73.50 |

Source: www.fbil.org.in

Note: Exchange rate is rounded off to two decimal place.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from a report titled “Industry Report on Capital Markets & Stock Broking” dated December 2023 prepared by CareEdge Advisory. The CareEdge Report has been commissioned and paid by our Company and has been exclusively prepared for the purpose of the Offer. We have commissioned and paid for the CareEdge Report for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. The data included in this Draft Red Herring Prospectus includes excerpts from the CareEdge Reports and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner. The CareEdge Report is available at <https://gretexbroking.com/>.

CareEdge Advisory is an independent agency, which has no relationship with our Company, our Promoters, our Directors, our KMP and Senior Management Personnel or the BRLM.

CareEdge Advisory was appointed by our Company pursuant to appointment letter dated September 7, 2023. The CareEdge Report has the following disclaimer:

“This report is prepared by CARE Analytics and Advisory Private Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research’s proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

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Unless otherwise indicated, all financial, operational, industry and other related information derived from the Reports and included herein with respect to any particular year, refers to such information for the relevant year. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. For risks in relation to the Reports, see “Risk Factors – *Certain sections of this Draft Red Herring Prospectus disclose information from the CareEdge Report commissioned and paid for by the Company in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*” on page 43 of this Draft Red Herring Prospectus.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. 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, 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 being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of each jurisdiction where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “can”, “could”, “goal”, “expect”, “estimate”, “intend”, “likely to”, “objective”, “plan”, “propose”, “project”, “shall”, “should”, “seek to”, “strive to”, “will”, “will achieve”, “will continue”, “will likely”, “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. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are ‘forward-looking statements’. These forward-looking statements are based on our present plans, estimates and expectations.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, inter alia, 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 plans, 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, changes in the incidence of any natural calamities and/or violence and changes in competition in the industries in which we operate.

For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, 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.

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

1. We rely on clients of one of our Promoters namely Gretex Corporate Services Limited for our major revenue generating services i.e. Market Making and Underwriting and our dependence on Gretex Corporate Services Limited leaves us vulnerable to changes in our relationship.
2. The revenues earned from our business activities have been inconsistent in the past and may continue to be inconsistent due to the very nature of this business which is dependent on the overall volatility in the Capital Markets in India.
3. Credit risk exposes our Company to losses caused by financial or other problems experienced by third parties.
4. General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.
5. Downturns or disruptions in the securities markets could reduce transaction volumes and could cause a decline in the business and impact our profitability.

For further discussion of factors that could cause the actual results to differ from the expectations, see “Risk Factors”, “Our Business” “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 35, 151, 106 and 208 respectively of this Draft Red Herring 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.

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

Forward-looking statements reflect current views as of the date of this Draft Red Herring 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 on reasonable assumptions, 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 BRLM, 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 and the BRLM will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of the terms of the offer and of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Financial Information”, “Outstanding Litigation and Other Material Developments”, “Offer Structure” and “Offer Procedure” on pages 35, 53, 70, 86, 106, 151, 188, 203, 219, 249 and 253, respectively of this Draft Red Herring Prospectus.

Primary Business of the Company

Our Company is engaged in the business of Market Making and Stock Broking, Underwriting Capital Markets Issuances and depository participants of NSDL. As Market Makers our Company facilitates the issuer companies viz. companies that list their securities on the Stock Exchanges with buying and selling of their securities, post initial public offers. Our Company has obtained the registration as Market Maker with BSE in the year 2012 and with NSE in the year 2023. As per Regulation 261 of SEBI ICDR Regulations, every SME company that is to be listed on the SME Exchanges, have to necessarily appoint at least one market maker for at least three years for the company. This gives us the opportunity to act as a Market Maker for SME companies going public. Our Company is also registered with the SEBI as a Stock Broker since its incorporation in 2010.

Summary of Industry

SMEs require huge capital to expand and diversify their business operations. They often rely on external sources of funding to fulfil these requirements. As of September 26, 2023, there are about 2,78,32,922 MSMEs registered in India out of which nearly 800 are listed on SME exchange.

Over the recent years, SMEs listing in the capital markets has seen traction. For instance, during FY23, the SME market witnessed sturdy growth with 125 issues, representing an increase of 79% as compared to 70 issues in FY22. During April-July 2023, the issuances of SMEs reached 47 from 29 compared to the corresponding period last year.

With the healthy growth in the Indian economy, number of issues in the SME IPO has shown a remarkable growth of 120% in H1FY24 (as compared to H1FY23).

(Source: CareEdge Report)

For further details, see “Industry Overview” on page 106 of this Draft Red Herring Prospectus.

Name of the Promoters

Alok Harlalka, Arvind Harlalka, Anita Harlalka, Pooja Harlalka, Rajkumari Harlalka, Sashi Harlalka, Gretex Corporate Services Limited, Ambition Tie-Up Private Limited and Talent Investment Company Private Limited are the Promoters of the Company. For further details, see “Our Promoters and Promoter Group” on page 188 of this Draft Red Herring Prospectus.

The Offer size

The following table summarizes the details of the Offer size.

| | |
|--|---|
| Offer ⁽¹⁾⁽²⁾ | Up to 1,98,77,915 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million. |
| of which | |
| i) Fresh Issue ⁽¹⁾ | Up to 1,67,81,915 Equity Shares aggregating up to ₹ [●] million. |
| ii) Offer for Sale ⁽²⁾ | Up to 30,96,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders. |

⁽¹⁾ The Offer has been authorized by a resolution of the Board dated December 7, 2023 and the Fresh Issue has been authorised by a special resolution of the Shareholders, dated December 11, 2023.

⁽²⁾ Each of the Selling Shareholders has, severally and not jointly, authorized and consented the sale of the Offered Shares in the Offer for Sale. The Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated December 14, 2023. For details on the authorization of the Selling Shareholders in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures” on page 229.

The Offer shall constitute [●]% of the post-Offer paid up Equity Share capital of the Company. For further details, see “The Offer” and “Offer Structure” on pages 53 and 249, respectively of this Draft Red Herring Prospectus.

Objects of the Offer

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

| Sr. No. | Particulars | Estimated amount (₹ in million) |
|---------|--|------------------------------------|
| 1. | Funding working capital requirements of our Company. | 1,300.00 |
| 2. | General corporate purposes ⁽¹⁾ . | [●] |

⁽¹⁾To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

For further details, see “Objects of the Offer” on page 249 of this Draft Red Herring Prospectus.

Aggregate pre-Offer Shareholding of the Promoters, Promoter Group and the Selling Shareholders

As on the date of this Draft Red Herring Prospectus, the aggregate pre-Offer shareholding of the Promoters, Promoter Group and Selling Shareholders as a percentage of the pre-Issue paid-up Equity Share capital of the Company is set out below:

a) Promoters and Promoter Group

| S. No. | Name of Equity Shareholders | No. of Equity Shares held | % of Pre-Issue Equity Shares Capital | % of Post-Issue Equity Shares |
|-----------------------|--|---------------------------|--------------------------------------|-------------------------------|
| Promoters | | | | |
| 1. | Gretex Corporate Services Limited | 3,19,62,660 | 64.60% | [●] |
| 2. | Ambition Tie-Up Private Limited | 51,71,400 | 10.45% | [●] |
| 3. | Talent Investment Company Private Limited | 49,75,200 | 10.06% | [●] |
| 4. | Pooja Harlalka | 21,60,000 | 4.37% | [●] |
| 5. | Sashi Harlalka# | 8,58,000 | 1.73% | [●] |
| | Total Promoters Shareholding (A) | 4,51,27,260 | 91.21% | [●] |
| Promoter Group | | | | |
| 6. | Bonanza Agency LLP | 21,12,540 | 4.27% | [●] |
| 7. | Sumeet Harlalka# | 8,58,000 | 1.73% | [●] |
| 8. | Alok Harlalka HUF# | 13,80,000 | 2.80% | [●] |
| | Total Promoter Group Shareholding (B) | 43,50,540 | 8.79% | [●] |
| | Total | 4,94,77,800 | 100% | [●] |

Participating as a Selling Shareholder in the Offer.

For further details, see “Capital Structure” on page 70 of this Draft Red Herring Prospectus.

Summary of Restated Consolidated Financial Statement

The following details are derived from the Restated Consolidated Financial Statement:

The details of the Equity Share capital, Net Worth, Net Asset Value per Equity Share and total borrowings, as at and for the four months period ended July 31, 2023, Fiscal 2023, 2022 and 2021 derived from the Restated Consolidated Financial Statements, are as follows:

(₹ in million, except per share data or unless otherwise stated)

| Particulars | For the four months period ended July 31, 2023* | For Fiscal | | |
|--|---|------------|--------|--------|
| | | 2023 | 2022 | 2021 |
| Equity Share capital | 494.78 | 82.46 | 82.46 | 82.46 |
| Net worth attributable to the Equity Shareholders of the Company (i) | 739.30 | 666.39 | 320.29 | 159.46 |
| Revenue from Operation | 209.20 | 1,026.17 | 396.58 | 135.63 |
| Total Revenue | 216.02 | 1,064.64 | 412.57 | 132.78 |
| Restated Profit for the period/year attributable to Equity Shareholders of the Company | 61.15 | 467.45 | 85.54 | 2.57 |
| Basic earnings per share (Face Value of ₹ 10/- each) (in ₹) (ii) | 1.24 | 9.45 | 1.73 | 0.05 |
| Diluted earnings per share (Face Value of ₹10/- each) (in ₹) (ii) | 1.24 | 9.45 | 1.73 | 0.05 |
| Return on Net Worth for equity shareholders (%) (iii) | 8.27% | 70.15% | 26.71% | 1.61% |
| Net Asset Value per Equity Share (in ₹) (iv) | 14.94 | 13.47 | 6.47 | 3.22 |
| Total borrowings | - | 5.88 | 1.59 | 4.36 |

*Not Annualised

Notes:

- (i) Net Worth attributable to the Equity Shareholders the Company means the aggregate value of the paid-up Equity Share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Consolidated Financial Statements, but does not include reserves created out of revaluation of assets and write-back of depreciation as on 4 (four) months period ended July 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended. It also excludes OCI, NCI and deeply subordinate debt.
- (ii) Basic and diluted earnings/ (loss) per share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
- (iii) Return on Net worth attributable to the Equity Shareholders of the Company (%) = Restated Consolidated net profit for the period/year attributable to Equity Shareholders of the Company / Restated Net worth attributable to the Equity Shareholders of the Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.
- (iv) Net Asset Value per Equity Share is calculated as net worth attributable to Equity Shareholders of the Company as at the end of Financial Period/year divided by the weighted average number of Equity Shares used in calculating the basic earnings per share.

For further details, see “Restated Consolidated Financial Statements” on page 203 of this Draft Red Herring Prospectus.

Auditor Qualifications or Adverse Remarks

There are no auditor qualifications that have not been given effect to in the Restated Consolidated Financial Statements.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving the Company, its Promoters, Directors, and Group Companies as on the date of this Draft Red Herring Prospectus as disclosed in “Outstanding Litigations and Material Developments” on page 219 of this Draft Red Herring Prospectus, in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

| Name of Entity | Criminal Proceedings | Tax proceedings | Statutory/Regulatory proceedings | Disciplinary actions by the SEBI or stock Exchanges against the Promoters | Material civil litigations | Aggregate amount involved to the extent ascertainable (in ₹)* |
|-----------------------------|----------------------|-----------------|----------------------------------|---|----------------------------|---|
| Company | | | | | | |
| By the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Subsidiary | | | | | | |
| By the Subsidiary | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Subsidiary | Nil | Nil | Nil | Nil | Nil | Nil |
| Directors | | | | | | |
| By the Directors | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Directors | Nil | Nil | Nil | Nil | 1 | 46,46,808/- |
| Promoters | | | | | | |
| By the Promoters | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Promoters | Nil | Nil | 1 | Nil | Nil | 2,00,000/- |
| Group Companies | | | | | | |
| By the Group Companies | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Group Companies | Nil | Nil | Nil | Nil | Nil | Nil |

*The aforementioned amounts have been recorded to the extent they are quantifiable. The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Draft Red Herring Prospectus.

Risk Factors

Investors should see “Risk Factors” on page 35 of this Draft Red Herring Prospectus, to have an informed view before making an investment decision in the Issue.

Summary of Contingent Liabilities

There are no contingent liabilities as at July 31, 2023 as per the Restated Consolidated Financial Statements.

Related Party Transactions

A summary of related party transactions (post inter-company eliminations) as per Ind AS 24 – Related Party Disclosures, read with the SEBI ICDR Regulations, entered into by the Company for the four months period ended July 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, as per Ind AS 24 –Related Party Disclosures read with SEBI ICDR Regulations and derived from the Restated Consolidated Financial Statements are as set forth below:

(₹ in million)

| Particulars | Nature of Relationship | For the four months period ended July 31, 2023 | For the Financial Year ended March 31, 2023 | For the Financial Year ended March 31, 2022 | For the Financial Year ended March 31, 2021 |
|---------------------|-----------------------------|--|---|---|---|
| Rent Expense | | | | | |
| Sumit Harlalka HUF | Relatives of Key Management | - | 0.32 | 0.60 | - |

| | | | | | |
|---|---------------------------------|------|----------|---------|--------|
| | Personnel | | | | |
| Business Promotion Expenses | | | | | |
| Signageus Value Advisors Private Limited | Enterprise where control exists | - | 9.44 | 0.38 | - |
| Commission Paid | | | | | |
| Gretex Corporate Services Limited | Enterprise where control exists | - | - | 5.90 | - |
| Service Charges Received (Inc GST) | | | | | |
| Music Sq- Mumbai (GIL) | Enterprise where control exists | - | 0.24 | - | - |
| Office, Administration & HR Services | | | | | |
| Gretex Admin & HR Services | Enterprise where control exists | 4.72 | 7.14 | - | - |
| Brokerage Charges Received | | | | | |
| Gretex Corporate Services Limited | Enterprise where control exists | - | - | - | 0.00 |
| Service/ Professional Charges Paid (Inclusive of GST) | | | | | |
| Signageus Value Advisors Private Limited | Enterprise where control exists | - | - | 4.13 | - |
| Rent Received (Inc. GST) | | | | | |
| Gretex Corporate Services Limited | Enterprise where control exists | 1.42 | - | - | - |
| Music Square (GIL) | Enterprise where control exists | 0.47 | - | - | - |
| Reimbursement of Expenses (Inc. of GST where ever is applicable) | | | | | |
| Alok Harlalka | Key Management Personnel | - | - | 0.00 | 0.00 |
| Arvind Harlalka | Key Management Personnel | - | - | 0.36 | 0.01 |
| Gretex Corporate Services Limited | Enterprise where control exists | 0.00 | 0.93 | 1.01 | - |
| Sumeet Harlalka | Enterprise where control exists | - | - | 0.00 | - |
| Reimbursement of Expenses (Salary) | Enterprise where control exists | - | - | 0.09 | 0.02 |
| Signageus Value Advisors Private Limited | Enterprise where control exists | - | 0.00 | - | - |
| Gretex Industries Limited | Enterprise where control exists | - | 0.00 | - | - |
| Music Sq- Mumbai (GIL) | Enterprise where control exists | - | 0.01 | - | - |
| Gretex Admin & HR Services | Enterprise where control exists | 0.16 | 0.22 | - | - |
| Advances (Received) / Given | | | | | |
| Gretex Corporate Services Limited | Enterprise where control exists | - | (106.34) | 36.63 | 2.61 |
| Gretex Corporate Services Limited | Enterprise where control exists | 5.16 | 115.51 | (31.93) | (2.61) |
| Gretex Industries Limited | Enterprise where control exists | - | (133.01) | (27.74) | (1.36) |

| | | | | | |
|--|---------------------------------------|--------|----------|--------|--------|
| Gretex Industries Limited | Enterprise where control exists | 0.05 | 132.69 | 21.54 | 4.07 |
| Lambodar Dealcom LLP | Enterprise where control exists | - | (0.10) | (0.01) | - |
| Lambodar Dealcom LLP | Enterprise where control exists | - | 0.10 | 0.01 | - |
| Rajkumari Harlalka | Relatives of Key Management Personnel | 0.20 | (105.03) | (8.33) | - |
| Rajkumari Harlalka | Relatives of Key Management Personnel | (0.20) | 102.30 | 9.36 | - |
| Sankhu Merchandise Private Limited | Enterprise where control exists | - | (3.42) | (0.04) | - |
| Sankhu Merchandise Private Limited | Enterprise where control exists | - | 0.18 | 0.04 | 2.80 |
| Gretex Admin & HR Services | Enterprise where control exists | (1.29) | 0.50 | - | - |
| Gretex Admin & HR Services | Enterprise where control exists | 1.88 | (0.50) | - | - |
| Gretex Audiotech LLP | Enterprise where control exists | - | 0.04 | - | - |
| Gretex Audiotech LLP | Enterprise where control exists | - | (0.04) | - | - |
| Signageus Value Advisors Private Limited | Enterprise where control exists | - | (31.54) | (6.03) | 6.23 |
| Signageus Value Advisors Private Limited | Enterprise where control exists | 1.16 | 31.55 | 11.92 | (1.52) |
| Pooja Harlalka | Relatives of Key Management Personnel | - | (2.41) | (0.70) | (0.55) |
| Pooja Harlalka | Relatives of Key Management Personnel | - | 2.37 | 0.75 | 0.60 |
| Alok Harlalka | Key Management Personnel | 2.00 | (10.18) | (0.29) | (0.25) |
| Alok Harlalka | Key Management Personnel | - | 6.40 | 1.96 | 1.80 |
| Alok Harlalka HUF | Relatives of Key Management Personnel | - | 1.20 | 0.10 | - |
| Alok Harlalka HUF | Relatives of Key Management Personnel | - | (1.20) | (0.10) | - |
| Sashi Harlalka | Relatives of Key Management Personnel | - | (0.32) | (0.51) | - |
| Sashi Harlalka | Relatives of Key Management Personnel | - | 0.32 | 0.47 | 0.48 |
| Sumeet Harlalka | Relatives of Key Management Personnel | 0.72 | (0.81) | (1.36) | (0.68) |
| Sumeet Harlalka | Relatives of Key Management Personnel | - | 0.09 | 0.32 | 1.73 |
| Arvind Harlalka | Key Management Personnel | - | (0.05) | (0.86) | 0.07 |
| Arvind Harlalka | Key Management Personnel | - | 0.05 | 0.50 | (0.07) |
| Ambition Tie- Up Private Limited | Enterprise where control exists | - | (1.63) | - | - |
| Ambition Tie- Up Private Limited | Enterprise where control exists | - | 2.57 | 0.02 | 0.86 |
| Sumit Harlalka HUF | Relatives of Key Management Personnel | - | - | (0.59) | - |
| Sumit Harlalka HUF | Relatives of Key Management Personnel | - | - | 1.18 | - |
| Sunview Nirman Private Limited | Enterprise where control exists | - | (12.20) | (0.83) | - |
| Sunview Nirman Private Limited | Enterprise where control exists | - | 12.65 | 22.79 | - |

| | | | | | |
|--|---------------------------------------|--------|---------|---------|---------|
| Talent Investment Co Pvt Ltd. | Enterprise where control exists | - | 0.11 | (0.02) | - |
| Talent Investment Co Pvt Ltd. | Enterprise where control exists | - | (0.11) | 0.02 | - |
| Bonanza Agency LLP | Enterprise where control exists | - | (1.81) | (19.96) | (17.53) |
| Bonanza Agency LLP | Enterprise where control exists | - | 1.81 | 5.64 | 20.99 |
| Dynamic Trading Co | Enterprise where control exists | - | - | - | 0.00 |
| Apsara Selection Limited (Cr.) | Enterprise where control exists | - | 4.34 | - | - |
| Apsara Selection Limited | Enterprise where control exists | (5.00) | (23.89) | (3.54) | - |
| Apsara Selection Limited | Enterprise where control exists | 5.00 | 26.08 | 2.02 | - |
| Interest Expense | | | | | |
| Signageus Value Advisors Private Limited | Enterprise where control exists | - | - | - | 0.52 |
| Alok Harlalka | Key Management Personnel | - | - | 0.25 | - |
| Apsara Selection Limited | Enterprise where control exists | - | 0.67 | 0.06 | - |
| GreteX Industries Limited | Enterprise where control exists | - | - | 0.02 | - |
| Sunview Nirman Private Limited | Enterprise where control exists | - | 0.50 | - | - |
| Interest Received | | | | | |
| Alok Harlalka | Key Management Personnel | - | 0.31 | 0.25 | 0.00 |
| Ambition Tie Up Pvt. Ltd. | Enterprise where control exists | - | - | 0.08 | 0.00 |
| Bonanza Agency LLP | Enterprise where control exists | - | - | 0.91 | 0.01 |
| GreteX Industries Limited | Enterprise where control exists | - | 0.33 | 0.12 | 0.00 |
| Rajkumari Harlalka | Relatives of Key Management Personnel | - | 1.62 | 0.08 | - |
| Sankhu Merchandise Private Limited | Enterprise where control exists | - | 0.21 | 0.25 | 0.00 |
| Sunview Nirman Private Limited | Enterprise where control exists | - | - | 0.06 | - |
| Pooja Harlalka | Relatives of Key Management Personnel | - | 0.04 | - | - |
| GreteX Corporate Services Limited | Enterprise where control exists | - | 1.87 | - | - |
| Dividend Received | | | | | |
| GreteX Corporate Services Limited | Enterprise where control exists | 0.00 | - | - | - |
| TDS (Receivable) / Payable | | | | | |
| Ambition Tie Up Pvt. Ltd. | Enterprise where control exists | - | - | (0.01) | - |
| Bonanza Agency LLP | Enterprise where control exists | - | - | (0.09) | - |
| GreteX Corporate Services Limited | Enterprise where control exists | (0.12) | (0.10) | 0.27 | - |
| GreteX Industries Limited | Enterprise where control exists | - | - | (0.01) | - |
| GreteX Industries Limited | Enterprise where control exists | - | - | 0.00 | - |
| Rajkumari Harlalka | Relatives of Key Management Personnel | - | 0.01 | (0.01) | - |
| Sankhu Merchandise Private Limited | Enterprise where control exists | - | - | (0.03) | - |
| Signageus Value Advisors Private Limited | Enterprise where control exists | - | - | 0.08 | - |
| Sashi Harlalka | Relatives of Key Management Personnel | 0.03 | 0.09 | - | - |

| | | | | | |
|---|---------------------------------------|--------|---------|--------|-------|
| Sumeet Harlalka | Relatives of Key Management Personnel | 0.14 | 1.10 | 0.11 | - |
| Sumit Harlalka HUF | Relatives of Key Management Personnel | - | 0.01 | 0.01 | - |
| Sunview Nirman Private Limited | Enterprise where control exists | - | (0.05) | (0.01) | - |
| Apsara Selection Limited | Enterprise where control exists | - | (0.07) | - | - |
| Music Sq. (GIL) | Enterprise where control exists | (0.04) | (0.02) | - | - |
| Gretex Admin & HR Services | Enterprise where control exists | 0.08 | 0.12 | - | - |
| Alok Harlalka | Key Management Personnel | (0.03) | 10.36 | (0.03) | - |
| Arvind Harlalka | Key Management Personnel | (0.27) | 2.24 | - | - |
| Employees' Provident Fund | | | | | |
| Gretex Corporate Services Limited | Enterprise where control exists | - | - | 0.00 | - |
| Sashi Harlalka | Relatives of Key Management Personnel | 0.01 | 0.03 | 0.01 | - |
| Sumeet Harlalka | Relatives of Key Management Personnel | 0.01 | 0.03 | 0.01 | - |
| Salary | | | | | |
| Alok Harlalka | Key Management Personnel | 0.40 | 26.50 | - | - |
| Arvind Harlalka | Key Management Personnel | 1.20 | 6.60 | - | - |
| Sashi Harlalka | Relatives of Key Management Personnel | 0.30 | 0.90 | 0.45 | 0.48 |
| Sumeet Harlalka | Relatives of Key Management Personnel | 0.80 | 4.30 | 1.50 | 0.60 |
| Pooja Harlalka | Relatives of Key Management Personnel | - | - | 0.05 | 0.60 |
| Dimple Magharam Slun | Key Management Personnel | - | - | 0.03 | - |
| Advance for Shares | | | | | |
| Gretex Corporate Services Limited | Enterprise where control exists | 46.13 | - | - | - |
| Investment in Shares/ Advance for Shares | | | | | |
| Gretex Corporate Services Limited | Enterprise where control exists | - | 15.68 | 3.51 | 11.54 |
| Apsara Selection Limited | Enterprise where control exists | - | 4.34 | 4.34 | - |
| Ambition Tie- Up Private Limited | Enterprise where control exists | - | 13.86 | - | - |
| Talent Management Co. Private Limited | Enterprise where control exists | (0.97) | 2.84 | - | - |
| Bonanza Agency (LLP) | Enterprise where control exists | - | 9.70 | - | - |
| ASP Infinity Solutions LLP | Enterprise where control exists | - | - | 6.00 | - |
| Sunview Nirman Pvt. Ltd. | Enterprise where control exists | - | - | 22.02 | - |
| Sale/ (Purchase) of Shares | | | | | |
| Gretex Industries Limited | Enterprise where control exists | - | - | 6.00 | - |
| Gretex Corporate Services Limited | Enterprise where control exists | - | (15.18) | 5.44 | - |
| Bonanza Agency LLP | Enterprise where control exists | - | - | - | 10.03 |

For further details, see “Annexure XXXXI - Related Party Disclosures” on page F-38, under the chapter titled “Restated Consolidated Financial Statements” beginning on page 203 of this DRHP.

Financing Arrangements

There have been no financing arrangements whereby the Promoters, members of the Promoter Group, the Directors of the companies which are Promoters of the Company, the Directors of the Company and their relatives have financed the purchase by any other person of securities of the Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Details of price at which the Equity Shares were acquired by each of the Promoters, and the members of the Promoter Group, the Selling Shareholders and Shareholder(s) with nominee director rights or other rights in the last three years preceding the date of this Draft Red Herring Prospectus

Except as stated below, there have been no Equity Shares that were acquired in the last 3 (three) years preceding the date of this Draft Red Herring Prospectus, by each of the Promoters and the members of the Promoter Group, the Selling Shareholders and Shareholder(s) with nominee director rights or other rights. The details of the price at which these acquisitions were undertaken are stated below:

| Name | Date of acquisition | Number of Shares | Acquisition price per Equity Shares | Nature of Transaction |
|--|---------------------|------------------|-------------------------------------|-----------------------|
| Promoters | | | | |
| Gretex Corporate Services Limited | 10-12-2022 | 580000 | 51 | Share Transfer |
| Gretex Corporate Services Limited | 13-07-2023 | 12800500 | Nil ¹ | Bonus Issue |
| Gretex Corporate Services Limited. | 12-09-2023 | 9400200 | 16.83 ² | Share Transfer |
| Ambition Tie-Up Private Limited | 10-12-2022 | 395000 | 51 | Share Transfer |
| Ambition Tie-Up Private Limited | 13-07-2023 | 4309500 | Nil ¹ | Bonus Issue |
| Talent Investment Company Private Limited. | 10-12-2022 | 93500 | 51 | Share Transfer |
| Talent Investment Company Private Limited | 13-07-2023 | 4146000 | Nil ¹ | Bonus Issue |
| Gretex Corporate Services Limited | 12-09-2023 | 7201860 | 16.83 | Share Transfer |
| Pooja Harlalka | 13-07-2023 | 1800000 | Nil ¹ | Bonus Issue |
| Sashi Harlalka* | 13-07-2023 | 715000 | Nil ¹ | Bonus Issue |
| Promoter Group | | | | |
| Bonanza Agency LLP | 10-12-2022 | 250000 | 51 | Share Transfer |
| Bonanza Agency LLP | 13-07-2023 | 7762000 | Nil ¹ | Bonus Issue |
| Alok Harlalka HUF* | 13-07-2023 | 1150000 | Nil ¹ | Bonus Issue |
| Sumeet Harlalka* | 13-07-2023 | 715000 | Nil ¹ | Bonus Issue |

*Participating as a Selling Shareholder in the Offer

¹ Represent cost of Bonus Shares issued at Nil consideration

² Post Bonus Issue transaction price.

#As certified by Gupta Agarwal & Associates, Chartered Accountants, by way of their certificate dated December 14, 2023.

^Participating as a Selling Shareholder.

Weighted average price at which the Equity Shares were acquired by the Promoters and the Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus.

The weighted average price at which the Equity Shares of the Company were acquired by its Promoters and Selling Shareholders, in the last 1 (one) year preceding the date of this Draft Red Herring Prospectus, are set forth below:

| Name of persons | Number of Equity Shares acquired* | Face Value (in ₹) | Weighted average price per Equity Share (in ₹)# |
|---|-----------------------------------|-------------------|---|
| Promoters | | | |
| Gretex Corporate Services Limited | 294025,600 | 10 | 9.50 |
| Ambition Tie-Up Private Limited. | 43,09,500 | 10 | Nil** |
| Talent Investment Company Private Limited | 41,46,0001 | 10 | Nil** |
| Pooja Harlalka | 18,00,000 | 10 | Nil** |
| Sashi Harlalka (also a Selling Shareholder) | 7,15,000 | 10 | Nil** |
| Selling Shareholder (other than Promoters) | | | |
| Alok Harlalka HUF | 11,50,000 | 10 | Nil** |

*For arriving weighted average price at which the Equity Shares of the Company were acquired by the Promoters including acquisition and Bonus Issue of Equity Shares has been considered..

** Represent cost of Bonus Shares issued at Nil consideration..

#As certified by Gupta Agarwal & Associates, Chartered Accountants, by way of their certificate dated December 14, 2023.

Weighted average cost of acquisition of all Equity Shares transacted by the Shareholders in the last 3 (three) years, 18 (eighteen) months and 1 (one) year preceding the date of this Draft Red Herring Prospectus.

Weighted average cost of acquisition of all Equity Shares transacted by the shareholders in the last 3 (three) years, 18 (eighteen) months and 1 (one) year preceding the date of this Draft Red Herring Prospectus is set forth below:

| Period | Weighted Average Cost of Acquisition (in ₹)# | Cap Price (₹ ●) is 'X' times the weighted average cost of acquisition | Range of acquisition price: lowest price – highest price (in ₹) |
|---|--|---|---|
| Last 3 (three) years preceding the date of this Draft Red Herring Prospectus | 6.95 | [●] | [●] |
| Last 18 (eighteen) months preceding the date of this Draft Red Herring Prospectus | 6.95 | [●] | [●] |
| Last 1 (one) year preceding the date of this Draft Red Herring Prospectus | 7.18 | [●] | [●] |

#As certified by Gupta Agarwal & Associates, Chartered Accountants, by way of their certificate dated December 14, 2023.

Average cost of acquisition of Equity Shares of the Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares for the Promoters and the Selling Shareholders as on the date of this Draft Red Herring Prospectus, is as set out below:

| Name of persons | Number of Equity Shares acquired | Average cost of acquisition per Equity Share (in ₹)# |
|--|----------------------------------|--|
| Promoters | | |
| Gretex Corporate Services Limited | 3,19,62,660 | 10.99 |
| Ambition Tie-Up Private Limited | 51,71,400 | 5.90 |
| Talent Investment Company Private Limited | 49,75,200 | 4.06 |
| Pooja Harlalka | 21,60,000 | 0.43 |
| Sashi Harlalka | 8,58,000 | 1.07 |
| Selling Shareholders (other than Promoters) | | |
| Alok Harlalka HUF | 13,80,000 | 5.00 |
| Sumeet Harlalka | 8,58,000 | 1.07 |

#As certified by Gupta Agarwal & Associates, Chartered Accountants, by way of their certificate dated December 14, 2023.

Details of pre-IPO placement

Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement of up to 33,12,985 Equity Shares to certain investors. Any Pre-IPO Placement to investors will be at a price to be decided by our Company, in consultation with the BRLM. The Pre-IPO Placement, if undertaken, will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer size complying with Rule 19 (2) (b) of the SCRR.

Equity Shares issued for consideration other than cash in last one year.

Except the Bonus Issue of Equity Shares undertaken by the Company as mentioned below, the Company has not issued any Equity Shares for consideration other than cash during last 1 (one) year from the date of this Draft Red Herring Prospectus:

| Date of the allotment | No. of Equity Shares | Issue Price (in ₹) | Reasons for allotment | Benefits accruing to the Company | Person to whom the allotment was made |
|------------------------------|-----------------------------|---------------------------|------------------------------|---|--|
| July 13, 2023 | 4,12,31,500 | Nil | Bonus Allotment | Nil | Please refer Note 1 |

Note 1

Date of Allotment: July 13, 2023 (Bonus Allotment in the ratio of 5:1)

| Sr. No. | Name | No. of Equity Shares |
|----------------|---|-----------------------------|
| 1. | Sankhu Merchandise Private Limited | 78,33,500 |
| 2. | Ambition Tie-Up Private Limited | 43,09,500 |
| 3. | Gretex Corporate Services Limited | 1,28,00,500 |
| 4. | Talent Investment Company Private Limited | 41,46,000 |
| 5. | Bonanza Agency LLP | 77,62,000 |
| 6. | Pooja Harlalka | 18,00,000 |
| 7. | Sashi Harlalka | 7,15,000 |
| 8. | Sumeet Harlalka | 7,15,000 |
| 9. | Alok Harlalka HUF | 11,50,000 |
| | Total | 4,12,31,500 |

Split/ Consolidation of Equity Shares in the last 1 (one) year

The Company has not undertaken any split or consolidation of Equity Shares during the last 1 (one) year preceding the date of this Draft Red Herring Prospectus. For further details, see, “*Capital Structure*” on page 70 of this Draft Red Herring Prospectus.

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

The Company has not applied to SEBI for any exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares pursuant to the Offer. The risks described below are not the only ones relevant to our Company or the Equity Shares or the industry in which our Company operate or to India. Our Company has described the risks and uncertainties that our Company believe are material, but these risks and uncertainties may not be the only risks relevant to our Company, the Equity Shares, or the industry in which our Company currently operate or propose to operate. Additional risks and uncertainties not presently known to our Company or that our Company currently deem immaterial may also impair our business, results of operations, financial conditions and cash flows. If any or a combination of the following risks, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of the 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 “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 151, 106 and 208, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.

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. This Draft Red Herring 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 Red Herring Prospectus. For further details, see “Forward-Looking Statements” beginning on page 22.

*Unless otherwise indicated, industry and market data used in this section has been derived and excerpted from the Industry Report titled “Industry Report on Capital Markets & Stock Broking” prepared and released by CareEdge Advisory (“**CareEdge Report**”), which our Company appointed on September 7, 2023, and which was paid for by our Company for the purposes of understanding the industry exclusively in connection with the Offer. Given the scope and extent of the CareEdge Report, disclosures are limited to certain excerpts and the CareEdge Report has not been reproduced in its entirety in this Draft Red Herring Prospectus. A copy of the CareEdge Report is available on the website of our Company at www.gretexbroking.com. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Unless specified or quantified in the relevant risk factors below, our Company is not in a position to quantify the financial or other implications of any of the risks described in this section. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors described below. However, there are certain risk factors where such implications are not quantifiable, and hence any quantification of the underlying risks has not been disclosed in such risk factors. Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Financial Statements” beginning on page 203. Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year.

INTERNAL RISK FACTORS

1. *One of the Company's Promoters and one of the Company's Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on the business, results of operations and financial condition of the Company.*

One of the Company's Promoters and one of its Directors are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. A summary of such outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in "Outstanding Litigations and Material Developments" on page 219 of this Draft Red Herring Prospectus, in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Summary of Outstanding Litigation:

| Name of Entity | Criminal Proceedings | Tax proceedings | Statutory/Regulatory proceedings | Disciplinary actions by the SEBI or stock Exchanges against the Promoter | Material civil litigations | Other pending Litigation | Aggregate amount involved to the extent ascertainable (in ₹)* |
|-----------------------------|----------------------|-----------------|----------------------------------|--|----------------------------|--------------------------|---|
| Company | | | | | | | |
| By the Company | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Company | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Subsidiary | | | | | | | |
| By the Subsidiary | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Subsidiary | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Directors | | | | | | | |
| By the Directors | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Directors | Nil | Nil | Nil | Nil | 1 | Nil | 46,46,808/- |
| Promoters | | | | | | | |
| By the Promoters | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Promoters | Nil | Nil | Nil | 1 | Nil | Nil | 2,00,000/- |
| Group Companies | | | | | | | |
| By the Group Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Group Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

**The aforementioned amounts have been recorded to the extent they are quantifiable. The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Draft Red Herring Prospectus.*

There can be no assurance that these litigations will be resolved in a way that benefits the relevant Promoter and the relevant Director of the Company. Consequently, it may divert the attention of the management and the relevant Promoter and waste the corporate resources of the Company. The relevant Promoter and our Director may incur significant expenses in such proceedings and the relevant Promoter may have to make provisions in its financial statements, which could increase its expenses and liabilities. If such claims are determined against the relevant Promoter and Director, there could be a material adverse effect on the reputation, business, financial condition and results of operations. For the details of the cases please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page no.219 of this Draft Red Herring Prospectus.

- 2. We rely on clients of one of our Promoters namely Gretex Corporate Services Limited for our major revenue generating services i.e. Market Making and Underwriting and our dependence on Gretex Corporate Services Limited leaves us vulnerable to changes in our relationship.***

Our Company has a signed MOU with one of our Promoters namely Gretex Corporate Services Limited, a SEBI registered category-I Merchant Banker, to be the market makers for upcoming 28 SME IPOs. For our Market Making and underwriting Activities we rely on the business referred by our Corporate Promoter from its SME IPO Clients, We advice all SME IPO clients of Gretex Corporate Services Limited to enter into a market making agreement with our Company for market making services and underwriting Activities that our Company provides them.

Any adverse change in the relationship with Gretex Corporate Services Limited would negatively affect our profitability. If Gretex Corporate Services Limited were, for any reason, to terminate or change its relationship with us in relation to our MOU, there could be a material disruption in our business and we may need to find other clients for our Market making as well as underwriting services. We may be unable to find such clients quickly and any of these factors could materially and adversely affect our business, results of operations, financial condition and prospects.

- 3. The revenues earned from our business activities have been inconsistent in the past and may continue to be inconsistent due to the very nature of this business which is dependent on the overall volatility in the Capital Markets in India.***

Our Company is engaged in the business of Market Making and Stock Broking including Institutional and Retail Broking as well as depository participant services. Our business activities involve investment and trading in listed / unlisted securities and financial products. Despite our efforts to earn favourable returns on our capital employed in these uncertain and volatile financial markets our Company cannot assure that it will be able to anticipate or predict the move of the Stock market. Our Company will continue to invest in this vertical and depending on the overall period to period overall volatility in the Capital Markets in India, our future revenues from business operations could be volatile and inconsistent.

- 4. Credit risk exposes our Company to losses caused by financial or other problems experienced by third parties.***

Our Company is exposed to the risk that third parties that owe our Company money, securities or other assets will not perform their obligations. Our Company is exposed to risk attributable to our customers, counterparties, clearing agents, exchanges, clearing houses, and other financial intermediaries as well as issuers whose securities our Company holds. These parties may default on their obligations owed to our Company due to insolvency, lack of liquidity, operational failure, government or other regulatory interventions or other reasons. Significant failures by third parties to perform their obligations owed to the Company in a timely manner or at all could materially and adversely affect our revenues, business, financial conditions and results of operations.

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

Our business is highly dependent on economic and market conditions in India. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could

affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions.

Our Company has grown significantly in the recent past, with our total revenues increasing from ₹ 132.78 million in financial year 2021 to ₹ 1,064.64 million in Financial Year 2023. This growth has been largely influenced by general macroeconomic conditions and rising capital markets in India. Any adverse change in the general macroeconomic conditions or in the Indian capital markets may adversely affect our future growth.

6. *Downturns or disruptions in the securities markets could reduce transaction volumes and could cause a decline in the business and impact our profitability.*

In recent years, the Indian and world securities markets have fluctuated considerably and a downturn in these markets could adversely affect our operating results. Our revenues, results of operations and consequently, our profitability are dependent on favourable capital market conditions, regulatory and political environment, investor sentiment, price levels of securities and other factors that affect the volume of stock trading in India and the level of interest in Indian business developments. When trading volume is low, our profitability will be adversely affected because our revenues will be reduced and some of our operating costs are fixed. Decreases in equity prices or decreased trading activity could have an adverse effect on our business, financial condition and operating results.

7. *One of our Promoters namely Gretex Corporate Services Limited has received an observation letter from SEBI in course of its regular inspection pertaining to maintenance of Structured Digital Database, maintenance of net worth requirements, due diligence being carried and ensuring market making activities. Any adverse outcome of such proceeding could have an impact on our Company's reputation, financial condition, and the results of operations.*

SEBI had issued a letter dated July 21, 2023 bearing reference SEBI/HO/CFD/SEC3/OW/P/2023/29342/1 dated July 21, 2023 ("SEBI Letter") to the one of Promoters of the Company viz. Gretex Corporate Services Limited pursuant to its regular inspection for the period April 1, 2021 to January 31, 2023 seeking comments of Gretex Corporate Services Limited on certain alleged violations of SEBI (PIT) Regulations, 2015, SEBI (Merchant Bankers) Regulations, 1992 and SEBI (ICDR) Regulations, 2018 in relation to non-maintenance of Structured Digital Database, non-maintenance of net worth requirements, a few inadequacies in due diligence being carried pertaining to the handling of the initial public offering of certain SMEs and in relation to the initial public offering of Gretex Corporate Services Limited on the grounds that the object was not utilised for the purpose for which it was raised and in relation to ensuring Market Making activities in the initial public offering of certain SMEs, where the Company, acted as a Market Maker. It was observed that the Company failed to provide a 2 way quote as stipulated in Circular No. CIR/MRD/DP/14/2010 dated April 26, 2010 in certain SME issues and that Gretex Corporate Services Limited failed to collect requisite data. In response to the above SEBI Letter, Gretex Corporate Services Limited has submitted a reply dated July 27, 2023 to SEBI, explaining and refuting all the allegations. Further, SEBI had inter-alia sought additional data and information pertaining to market making activities in initial public offering of SMEs from Gretex Corporate Services Limited and Gretex Corporate Services Limited submitted its reply providing certain data/information. This matter is pending.

Any adverse observations in such inspection may result in penal consequences for our Promoter, Gretex Corporate Services Limited, which would result in diversion of its management's attention and consequently affect our business, results of operations and financial condition which would in turn may affect the reputation, financial condition, and the results of operations of the Company and the same may adversely affect the trading price of our Equity Shares. For the details of such proceedings, please refer the chapter titled "Outstanding Litigations and Material Developments" on page no. 219 of this Draft Red Herring Prospectus.

8. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licences in timely manner or comply with such rules and regulations or at all may adversely affect our operations.*

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or revoke the 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. For further details, please see chapters titled “Key Regulations and Policies” and “Government and Other Statutory Approvals” at pages 160 and 225 respectively of this Draft Red Herring Prospectus.

9. Significant security breaches in our computer systems and network infrastructure, fraud, systems failures and calamities would adversely impact our business.

Our Company is required to protect our computer systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems caused by our increased internet connectivity. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. These concerns will intensify with our increased dependence on technology. Our Company employs security systems, including firewalls and password encryption, designed to minimise the risk of security breaches but there can be no assurance that these security measures will be successful. Breaches of our security measures could affect the security of information stored in and transmitted through these computer systems and network infrastructure. A significant failure in security measures could have a material adverse effect on our business and our future financial performance.

As part of our business strategy, the employees of our Company use the information systems and the Internet to deliver services to and perform transactions on behalf of our customers. Although our Company has not experienced any such past instances of any disruptions of service to customers in the past, but there can be no assurance that our Company will not encounter disruptions in the future due to substantially increased numbers of customers and transactions or for other reasons. If the system interruptions, errors or downtime which could result from a variety of causes, including changes in technological failure, changes to systems, linkages with third-party systems and power failures or are unable to develop necessary technology, our business, prospects, financial condition and results of operations could be materially adversely affected. The hardware and software are also subject to damage or incapacitation by human error, natural disasters, power loss, sabotage, computer viruses and similar events or the loss of support services from third parties such as Internet service providers.

10. We have experienced negative cash flows in the past and may continue to do so in the future and the same may adversely affect our cash flow requirements, which in turn may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.

We have experienced negative net cash flow from operating in the past and may continue to experience such negative operating cash flows in the future. The following table sets forth certain information relating to our cash flows on a restated basis for the financial years indicated:

(₹ in million)

| Particulars | Period ended July 31, 2023 | Fiscal 2023 | Fiscal 2022 | Fiscal 2021 |
|---|-------------------------------|-------------|-------------|-------------|
| Net cash from/ (used in) operating activities | (42.00) | 398.21 | 94.08 | 20.26 |
| Net cash from/ (used in) investing activities | 38.32 | (433.10) | (35.74) | 30.00 |
| Net cash from/ (used in) financing activities | (24.20) | 23.11 | (4.43) | (48.82) |


Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see “Restated Consolidated Financial Statements” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on pages 203 and 308, respectively.



11. In case our services to the clients are not satisfactory it may cause damage to our professional reputation and legal liability.





Our Company is into service industry and our business is dependent mainly on how our management maintains its relationship with our existing clients which helps to retain existing clients and to attract the

new ones. Hence, an unsatisfied client may be more damaging in our business than in other businesses. Our activities may attract the risk of significant legal liabilities to our clients and aggrieved third parties. In recent years, the volume of claims and amount of damages claimed in litigation and regulatory proceedings against financial intermediaries have been increasing due to strict regulations and investor awareness. These risks often may be difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. Hence, our Company may incur significant legal expenses in defending against litigation. Substantial legal liability or significant regulatory action against our Company could have material financial effects on our Company or could even cause significant harm to our reputation, which could harm our business prospects. While we have not faced any such past instances, there is no assurance that the Company will not face such instances in the future.

12. Any failure to protect or enforce our rights to own or use trademarks and brand names and identities could have an adverse effect on our business and competitive position.

As on the date of this Draft Red Herring Prospectus, we have filed an application for registration of the trademark  under Class 36. The  logo has been registered by Gretex Industries Limited, one of our Group Companies in Class 24 with the Trademarks Registry, India under Trademark Certificate No. 1857972. Further, Gretex Industries Limited has filed an application no. 9477951 in Class 15 with the Trademarks Registry, India for registration of the said logo under Class 15 which is pending. Gretex

Industries Limited has permitted the Company to use and to also register the trademark  with the Trademarks Registry, India. However, Gretex Industries Limited has also authorised its group companies namely Gretex Corporate Services Limited, Gretex Admin and HR Services and Gretex Audiotech LLP to also use the logo  which authorisation is revocable at Gretex Industries Limited's option. Such

authorisation is subject to the restriction that none of the above entities i) use the trademark  in any of the activities covered in Class 36 in which the Company is proposing to register the trademark; ii) file any applications for registration of such the trademark  in their favour in Class 36; iii) raise any objection to the registration of the trademark  in Class 36 with the Trademarks Registry, India and (iv) use of the trademark  in respect of activities covered under the said Class 36 in any manner whatsoever.” For further details pertaining to the Intellectual Property of our Company, see “Our Business –Intellectual Property” and “Government and Other Statutory Approvals” on pages 228 and 225 respectively of the DRHP.

We may not be able to prevent infringement of our trademark. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. Further, if we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability.

Finally, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, they could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Any of the foregoing could have an adverse effect on our business. Further, our efforts to protect these intellectual properties may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. The application of laws governing intellectual property rights in India is uncertain, evolving and could involve substantial risks to us.

13. Error in Punching of trade orders

Some of the orders by our clients are placed over the phone. Thus, there may be instances where our staff may face the risk of making errors in punching the orders. The entire risk/ loss incurred by our client due to error on our part are to be borne by our Company. In case of any such event could have an adverse effect on

our business operations, profitability and operations. While we have not faced any such past instances, there is no assurance that the Company will not face such instances in the future.

14. *Our risk management policies and procedures may leave the Company exposed to unidentified risks or unanticipated levels of risk which could lead to material losses.*

Our risk management policy may not be fully effective in mitigating our exposure to risks and may not cover risks that our Company fail to identify or anticipate. Some methods of risk management are based on the use of observed historical market behaviour. Our Company applies statistical and other tools to these observations to arrive at quantifications of our risk exposures. These tools and metrics may fail to predict future risk exposures. Our losses could therefore be significantly greater than those which the historical measures indicate. Our more qualitative approach to managing those risks could prove insufficient, exposing the Company to material unanticipated losses. Other risk management methods depend on evaluation of information regarding markets, clients or other matters that are publicly available or otherwise accessible by us. This information may not be accurate, complete, up-to-date or properly evaluated. Management of operational, legal and regulatory risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events. Our management cannot assure that our policies and procedures will effectively and accurately record and verify this information. Our Company monitors and control the risk exposure through a variety of separate but complementary financial, credit, operational and legal reporting systems. Nonetheless, the effectiveness of the ability to manage risk exposure cannot be completely or accurately predicted or fully assured. For example, unexpectedly large or rapid movements or disruptions in one or more markets or other unforeseen developments could have a material adverse effect on our results of operations and financial condition. The consequences of these developments could include losses due to adverse changes in inventory values, decreases in the liquidity of trading positions, higher volatility in systemic risk.

15. *Our Company depends on third party vendors and service providers.*

Our Company relies on third parties for some of our technological infrastructure that support our stock broking and market making businesses. Failure to continue to access these third party technologies on commercially acceptable terms could limit our ability to offer competitive service offerings and adversely impact our future operating results. Our Company also rely on several local service providers for delivering our services and any failure to continue these arrangements on commercially acceptable terms could adversely impact our future operating results.

16. *Major fraud, lapses of internal control or failures on part of the employees could adversely impact the Company's business.*

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties. While we have not faced any such past instances, there is no assurance that the Company will not face such instances in the future.

17. *Our Company faces intense competition in our businesses, which may limit our growth and prospects.*

Our Company faces significant competition from other stock brokers and market makers. In particular, our Company competes with other Indian and foreign brokerage and market makers operating in the markets in which our Company deals. Our Company competes on the basis of a number of factors, including execution, depth of service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

- 18. *Our Company has in the past entered into related party transactions with our Promoters and Promoter Group members and may continue to do so 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 operations.***

Our Company has entered into related party transactions with our Promoters and Promoter Group members in the past. While our Company confirms that all such transactions have been conducted on an arm's length basis and are accounted as per Ind AS 24 are in compliance with the provisions of the Companies Act, 2013 and other applicable laws however 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 may 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 operations. For further details, see "Annexure XXXXI - Related Party Disclosures" on page F-38, under the chapter titled "Restated Consolidated Financial Statements".

- 19. *There have been certain instances of lapses such as factual or typographical errors and certain discrepancies in secretarial records.***

There have been certain instances of lapses such as factual or typographical errors and certain discrepancies in certain secretarial records filed by our Company during the period 2014-2022. For instance, the transfer dated September 2, 2017 from Gretex Industries Limited to Alok Harlalka HUF of 2,30,000 was inadvertently omitted to be mentioned in the annual return for Financial Year ended 31st March, 2017 in the section named "Details of shares/Debentures Transfers since closure date of last financial year". However, the updated shareholding pattern post the aforesaid transfer was reported in the shareholding pattern attached to the aforesaid form. While the annual returns is already filed in this regard, we cannot assure that no regulatory actions will be initiated against us in this regard and that no penalties will be imposed on us on account of these lapses.

- 20. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution 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 "Objects of the Offer" on page 86. 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. These funding requirements are 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.

- 21. *Financial services firms are subject to increased scrutiny concerning perceived conflicts of interest that increase the risk of financial liability and reputational harm resulting from adverse regulatory actions. A failure to identify and address conflicts of interest appropriately could adversely affect our business.***

Our Company is subject to various laws relating to the prevention of insider trading, front running and other conflicts of interest. Conflicts of interest may exist between (i) our Company and its clients; (ii) our clients; (iii) our Company and its employees; or (iv) our clients and our employees. Although our Company has internal controls and measures in place, we cannot you that our Company or its agents/intermediaries will always manage such conflicts of interest, including compliance with various applicable laws and regulations. In addition, such controls and measures may be incorrectly implemented and fail to perform as expected. Any such failure to manage such conflicts could harm our reputation and erode client confidence in our services. In addition, potential or perceived conflicts of interest may also give rise to litigation or regulatory actions. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

- 22. *Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.***

Our Company is engaged in business of trading, investing activities as stock brokers, market making and related services being part of the service sector industry which attracts tax liability such as Goods and Service Tax and Service Tax as per the applicable provisions of Law. Our Company is also subject to the labour laws like depositing of contributions with Provident Fund and Profession Tax. However, our Company have deposited the required returns under various applicable Acts, but any demand or penalty raised by the

concerned authority in future for any previous year and current year will affect the financial position of the Company. For instance, the Company has paid a penalty of Rs. 18,407/- during the last 3 fiscals and Period ended July 31, 2023 for Penalty for Trading Limit Violation and Non/Short Collection of Client Margin.

23. *Our insurance coverage may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.*

We have comprehensive insurance to protect our company against various hazards, like burglary, fire, & Accidental Damage, Theft Risk, Infidelity of Employees, Computer crime indemnity, Legal Liability and loss of securities. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected.

There are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. We may face losses in the absence of insurance and even in cases in which any such loss may be insured, we may not be able to recover the entire claim from insurance companies. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. As of July 31, 2023 the aggregate coverage of the insurance policies obtained by us is ₹ 59.67 million which constituted 6.98% of our total assets, respectively.

While we believe that we have obtained insurance against losses that are most likely to occur in our line of business, there may be certain losses that may not be covered by the Company, which we have not ascertained as of the date. Therefore, we cannot assure you that we will continue to accurately ascertain and maintain adequate insurance policies for losses that may be incurred in the future. For further information on the insurance policies availed by us, see “Our Business - Insurance” on page 157.

24. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

Our Company may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, our Company may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section titled Dividend Policy on page 202 of this Draft Red Herring Prospectus.

25. *Our Promoters and members of the Promoter Group will be able to exercise significant influence and control over us after the Issue and may have interests that are different from or conflict with those of our other shareholders.*

Our Promoters and members of the Promoter Group collectively held 100% of the paid-up Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus. Post-Offer, the Promoters and members of the Promoter Group will continue to collectively hold substantial shareholding in our Company. For details of their shareholding pre and post-Offer, see “Capital Structure – Shareholding of our Promoters and the members of our Promoter Group” on page 81. By virtue of their shareholding, our Promoters and members of the Promoter Group will have the ability to exercise significant control and influence over our Company and our affairs and business, the timing and payment of dividends, the adoption of and amendments to our Memorandum and Articles of Association, the approval of a merger or sale of substantially all of our assets and the approval of most other actions requiring the approval of our shareholders. The interests of our Promoters may be different from or conflict with our interests or the interests of our other shareholders in material aspects and, as such, our Promoters and members of the Promoter Group may not make decisions in our best interests.

26. *Certain sections of this Draft Red Herring Prospectus disclose information from the CareEdge Report commissioned and paid for by the Company in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*

Certain sections of this Draft Red Herring Prospectus include information based on or derived from the “*Industry Report on Capital Markets & Stock Broking*” Report prepared by CareEdge, which is not related to our Company, our Key Managerial Personnel, our Directors, or our Promoters. The CareEdge Report was commissioned by our Company pursuant to the appointment letter dated September 7, 2023, and paid for by our Company, for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CareEdge Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CareEdge Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Furthermore, the CareEdge Report is not a recommendation to invest/ disinvest in any company covered in the CareEdge Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the CareEdge Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CareEdge Report before making any investment decision regarding the Offer. See “*Industry Overview*” beginning on page 106. For the disclaimers associated with the CareEdge Report, see “*Certain Conventions, Presentation of Financial, Industry And Market Data – Industry and Market Data*” on page 17.

27. *Our business operations are dependent on our Directors, Key Managerial Personnel and Senior Management Personnel and the loss of, or our inability to attract or retain them could adversely affect our business, results of operations, financial condition and cash flows.*

Our Company is dependent on our Directors, Key Managerial Personnel and Senior Managerial Personnel for setting our strategic business direction and managing our business. Our Directors and several of our Senior Management Personnel have extensive experience in the stock broking and market making business. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Without a sufficient number of skilled employees, our operations could suffer. A significant increase in the attrition rate among skilled employees could decrease our operating efficiency and could lead to a decline in the profitability of our Company. Competition for qualified personnel and operators is intense, both in retaining our existing employees and when replacing or finding additional suitable employees. If our Company is unable to hire additional qualified personnel or retain them, then the ability of our Company to expand its business will be impacted.

The table below indicates the attrition rates of our employees for the four months period ended July 31, 2023, Fiscals 2023, 2022 and 2021:

| Particulars | For the financial year ended on | | | |
|-----------------------------|---------------------------------|----------------|----------------|----------------|
| | July 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Average number of employees | 25 | 23 | 11 | 8 |
| Number of employees left | 0 | 4 | 0 | 0 |
| Attrition Rate (%) | 0% | 17% | 0% | 0% |

Our Company may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining suitable employees. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

28. *Our Promoters are interested in our Company’s performance in addition to the extent of their shareholding and remuneration.*

Our Promoters are interested in our Company, to the extent of its shareholding in our Company as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares, amongst others. Some of our Promoters and Directors are also Promoters and Directors of some of our Group Companies and may be interested to the extent of the arrangements/transactions entered into by our Company with such entities.

Our Company cannot assure you that our Promoters and Directors will exercise their rights for the benefit and best interest of our Company. As the shareholders of our Company, our Promoters may take or block actions with respect to our business which may conflict with the best interests of our Company. For further information on the interest of our Promoters of our Company, see “*Our Promoters and Promoter Group*” and Capital Structure beginning on pages 188 and 70, respectively.

29. ***There may be significant independent press coverage about our Company and this Offer, and it is recommended you not to place reliance on any information contained in press articles, including, in particular, any financial projections, valuations or other forward-looking information, and any statements that are inconsistent with the information contained in this Draft Red Herring Prospectus.***

There may be significant press coverage about our Company and this Offer that may include financial projections, valuations and other forward-looking information, as well as statements that are inconsistent or conflict with the information contained in this Draft Red Herring Prospectus. Our Company does not accept any responsibility for, and there can be no assurance as to, the accuracy or completeness of such press articles, and our Company make no representation or warranty as to the appropriateness, accuracy, completeness or reliability of any of the projections, valuations, forward-looking information, or of any assumptions underlying such projections, valuations, forward-looking information or any statements that are inconsistent or conflict with the information contained in this Draft Red Herring Prospectus, included in or referred to by the media. You should not rely on any projection as to our future financial performance. You are advised to not rely on information from sources other than this Draft Red Herring Prospectus.

30. ***Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.***

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS, or US GAAP. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

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

Our Company has not identified any alternate source of funding for our object of the Offer 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 or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the Company. Further the deployment of the funds raised in the Offer will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of our working capital requirement, Please refer section titled “*Object for the Offer*” beginning on page 86 of this Draft Red Herring Prospectus.

EXTERNAL RISK FACTORS

32. ***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. Financial turmoil in Asia, Europe and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and our business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial 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, the USA is one of India's major trading partners and any possible slowdown in the American economy 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, results of operation, and cash flows. 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, results of operations, and cash flows, and reduce the price of the Equity Shares.

33. *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 nonresidents 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 prior regulatory approval will be required. Further, 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. 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.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Rules, 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 in the Consolidated FDI Policy dated October 15, 2020, and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Our Company cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions or at all.

Our Company cannot assure the 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, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 275.

34. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend for foreign investors. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- a. the foreign currency equivalent of the Rupee trading price of our Company's Equity Shares in India;
- b. the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of our Company's Equity Shares; and
- c. the foreign currency equivalent of cash dividends, if any, on our Company's Equity Shares, which will be paid only in Rupees.

In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India may reduce the proceeds received by Shareholders, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares. Another example would be that the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

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

Our Company may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by our Company (including under an employee benefit scheme) or disposal of our Equity Shares by our Promoters or any of our other principal shareholders or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India or any public perception regarding such issuance or sales 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. There can be no assurance that our Company will not issue further Equity Shares or that our existing shareholders including our Promoters will not dispose of Equity Shares after the completion of the Offer (subject to provisions of the applicable laws) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. Our Company may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

37. *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. 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 the global equity markets as well 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.

38. *The occurrence of natural or man-made disasters or outbreak of global pandemics could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business*

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, infectious disease outbreaks, pandemics and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial

condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concerns regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

39. *If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.*

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

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

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

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

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

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

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

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

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

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

42. *A slowdown in economic growth in India could cause our business to suffer.*

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the trading price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy.

Other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility, and actual or perceived trends in trading activity on India's

principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

OFFER SPECIFIC RISK

Risks relating to the Equity Shares and this Offer

43. *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 / Price of the Equity Shares will be determined by our Company and in consultation with the BRLM through the Book Building Process. This price will be based on numerous factors, as described under "Basis for Offer Price" on page 86 and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry our Company operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges, strategic actions by the Company or its competitors, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

44. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (either quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.*

Pursuant to the provisions of the SEBI ICDR Regulations and other regulations and guidelines prescribed by the SEBI, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares Bid for or the price) at any stage after submitting a Bid and are required to pay the Bid Amount at the time of submission of the Bid. Events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Bid by QIBs and Non-Institutional Investors and Allotment of the Equity Shares. Our Company may choose to complete the Allotment of the Equity Shares pursuant to the Offer despite the occurrence or one or more such events, and QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids in such or any other situation, once they have submitted their Bid.

Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within three Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment.

We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

45. *The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company, in consultation with the BRLM. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM, through the Book Building Process. These will be based on numerous factors, including factors as described under "Basis for the Offer Price" on page 86

and may not be indicative of the market price for the Equity Shares after the Offer. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

46. Pursuant to listing of the Equity Shares, our Company may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, our Company may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation. In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, our Company may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

47. A third party could be prevented from acquiring control of our Company 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, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. 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 its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations. Further, certain transactions, including, without limitation, sale of Equity Shares by our Corporate Promoter above certain thresholds, sale of Equity Shares of our Company by shareholders holding specified number of shares or voting rights, could be subject to the SEBI Takeover Regulations. Such transactions could require a potential acquirer to undertake an open offer process pursuant to the SEBI Takeover Regulations. Compliances specified under SEBI Takeover Regulations including requirement to make open offer, offer for delisting of equity shares of the company as applicable, disclosure of change in shareholding or voting rights held by acquirer in the company may act as restrictions on ability of our Corporate Promoter to dilute its stake in the Company or on our ability to enter into and timely consummate such transactions on favourable terms, which may adversely affect the market price and trading volume of the Equity Shares upon listing and may deter or prevent transactions including dilution of stake by our Corporate Promoter which otherwise is beneficial in the interest of the Company or its shareholders. Further, in the event offer to delist is made by an acquirer in terms of SEBI Takeover Regulations and/or SEBI Delisting Regulations, holders of Equity Shares as of immediately before the completion of the open offer process made by acquirer under SEBI Takeover Regulations, could refuse to tender their Equity Shares and accordingly may continue to be minority shareholders following the completion of the open offer process. Further, such minority shareholders who refuse to tender their equity shares in the open offer could deter an

acquirer from acquiring all of the outstanding equity shares of the Company, which could result in loss of opportunity beneficial to the Company, and or its Shareholders. Further, in India, takeovers meeting certain thresholds are under the surveillance of the Competition Commission of India or CCI and are regulated by the CCI to determine if proposed takeover would have an appreciable adverse effect on competition in the relevant market.

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

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

49. *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 Equity Shares can be listed and trading in the Equity Shares may commence. Investors’ book entry, or ‘demat’ accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant’s demat account with depository participant could take up to five Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Offer Closing Date. 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 commence 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. Our Company 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.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

| Particulars | Number of Equity Shares |
|---|--|
| Offer of Equity Shares⁽¹⁾ | Up to 1,98,77,915 Equity Shares, aggregating up to ₹ [●] million |
| <i>of which:</i> | |
| (i) Fresh Issue ⁽¹⁾ | Up to 1,67,81,915 Equity Shares, aggregating up to ₹ [●] million |
| (ii) Offer for Sale ⁽²⁾ | Up to 30,96,000 Equity Shares, aggregating up to ₹ [●] million |
| The Offer comprises of: | |
| A) QIB Portion ^{(3)(4) (5)} | Not more than [●] Equity Shares |
| <i>of which:</i> | |
| i. Anchor Investor Portion | [●] Equity Shares |
| ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed) | [●] Equity Shares |
| <i>of which:</i> | |
| (a) Available for allocation to Mutual Funds only (5% of the QIB Portion) | [●] Equity Shares |
| (b) Balance for all QIBs including Mutual Funds | [●] Equity Shares |
| B) Non-Institutional Portion ⁽³⁾⁽⁶⁾⁽⁷⁾ | Not less than [●] Equity Shares |
| <i>of which:</i> | |
| One-third of the Non-Institutional Portion available for allocation to Bidders with an application size between ₹ 2,00,000 to ₹ 10,00,000 | [●] Equity Shares |
| Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10,00,000 | [●] Equity Shares |
| C) Retail Portion ^{(3) (4)(5) (6) (7)} | Not less than [●] Equity Shares |
| | |
| Pre and post Offer Equity Shares | |
| Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus) | [●] Equity Shares |
| Equity Shares outstanding after the Offer | [●] Equity Shares |
| | |
| Use of Net Proceeds | See “ <i>Objects of the Offer</i> ” on page 86 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale. |

Notes:

- (1) The Offer has been authorized by a resolution of our Board dated December 7, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated December 11, 2023.
- (2) The Selling Shareholders have authorized and consented to the sale of the Offered Shares in the Offer for Sale. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to a resolution at its meeting held on December 14, 2023. For details on the authorization of the Selling Shareholders in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures” on page 229.
- (3) Our Company, in consultation with the BRLM, may consider a Pre-IPO placement of up to 33,12,985 Equity Shares prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2) (b) of the SCRR. Details of Pre-IPO Placement,

- if undertaken, shall be included in the Red Herring Prospectus.
- (4) Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion shall be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion is available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the Net QIB Portion. 5% of the Net QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion (excluding Anchor Investor Portion) will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Offer Procedure" on page 253 of this Draft Red Herring Prospectus.
 - (5) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in "Terms of the Offer" on page 242 of this Draft Red Herring Prospectus.
 - (6) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to applicable law. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards the sale of the Offered Shares and only thereafter, towards the balance Fresh Issue. For avoidance of doubt, the balance Equity Shares of the Fresh Issue (i.e., 10% of the Fresh Issue) will be offered only once the entire portion of the Offered Shares are Allotted in the Offer. For further details, please see "Terms of the Offer" on page 242 of this Draft Red Herring Prospectus.
 - (7) Allocation to Bidders in all categories, other than Anchor Portion, Retail Individual Portion and Non-Institutional Portion, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹ 2,00,000 and up to ₹ 10,00,000, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹ 10,00,000 and the unsubscribed portion in either of the above subcategories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹ 2,00,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Offer Procedure" on page 253 of this Draft Red Herring Prospectus.
 - (8) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 2,00,000 and up to ₹5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For details, including in relation to grounds for rejection of Bids, refer to "Offer Structure" and "Offer Procedure" on page 249 and 253, respectively. For details of the terms of the Offer, see "Terms of the Offer" on page 242.

SUMMARY OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361
Restated Consolidated Statement of Assets and Liabilities

(₹ in million)

| PARTICULARS | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| ASSETS | | | | |
| Non-Current Assets | | | | |
| a Property, Plant & Equipment | 139.85 | 135.06 | 0.13 | 0.07 |
| b Capital Work-In-Progress | - | - | - | - |
| c Investment Property | 100.87 | 101.40 | - | - |
| d Goodwill on Consolidation | 15.59 | 15.59 | - | 5.91 |
| e Other Intangible Assets | - | - | - | - |
| f Intangible Assets under development | - | - | - | - |
| g Biological Assets other than bearer plants | - | - | - | - |
| e Financial Assets | | | | - |
| (i) Investments | 214.85 | 169.47 | 174.37 | 58.32 |
| (ii) Trade receivables | | | - | - |
| (iii) Loans | 22.37 | 6.33 | - | - |
| (iv) Other Financial Assets | - | 16.95 | 3.55 | - |
| Current Assets | | | | |
| a Inventories | 236.92 | 215.14 | 62.15 | 78.13 |
| b Financial Assets | | | | |
| i) Investments | 19.20 | 82.46 | - | - |
| ii) Trade Receivables | 0.51 | 1.23 | 33.79 | - |
| iii) Cash and Cash Equivalents | 16.32 | 44.20 | 55.98 | 2.07 |
| iv) Bank Balances other than Cash and Cash Equivalents (iii) above | 2.38 | 2.38 | 2.38 | 2.38 |
| v) Loans | 20.69 | 29.05 | 15.48 | 28.32 |
| vii) Other Financial Assets | 62.32 | 9.13 | 10.23 | 5.39 |
| c Current Tax Assets | | | | |
| d Other current assets | 2.92 | 0.37 | 1.23 | - |
| TOTAL ASSETS | 854.79 | 828.76 | 359.29 | 180.59 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| a Equity Share Capital | 494.78 | 82.46 | 82.46 | 82.46 |
| b Other Equity | 244.53 | 583.93 | 237.83 | 77.00 |
| c Non-Controlling Interest | - | - | - | 0.06 |
| LIABILITIES | | | | |
| Non-Current Liabilities | | | | |
| a Financial Liabilities | | | | |
| i) Long-Term Borrowings | - | - | - | - |
| ii) Trade payables | | | | |
| (iii) Other financial liabilities | 10.00 | 20.00 | - | - |

| | | | | |
|--|---------------|---------------|---------------|---------------|
| b Provisions | 2.91 | 1.09 | - | - |
| c Deferred Tax Liabilities (Net) | 2.23 | 1.34 | 0.00 | 0.00 |
| Current Liabilities | | | | |
| a Financial Liabilities : | | | | |
| i) Borrowings | - | 5.88 | 1.59 | 4.36 |
| ii) Trade Payables | | | | |
| (A) total outstanding dues of micro enterprises and small enterprises | - | - | - | - |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 0.50 | 0.50 | 0.02 | 0.00 |
| iii) Other Financial Liabilities | - | - | - | - |
| b Other Current Liabilities | 11.52 | 34.13 | 21.48 | 16.57 |
| c Provisions | 10.42 | 4.95 | - | - |
| d Current Tax Liabilities (Net) | 77.90 | 94.48 | 15.91 | 0.14 |
| TOTAL EQUITY AND LIABILITIES | 854.79 | 828.76 | 359.29 | 180.59 |

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361
Restated Consolidated Statement of Profit and Loss

(₹ in million)

| | PARTICULARS | For the period ended July 31, 2023 | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|------|--|--|---|---|---|
| I | Revenue From Operations | 209.20 | 1,026.17 | 396.58 | 135.63 |
| II | Other Income | 6.82 | 38.47 | 15.99 | (2.85) |
| III | Total Income (I+II) | 216.02 | 1,064.64 | 412.57 | 132.78 |
| IV | EXPENSES | | | | |
| | Cost of materials consumed | - | - | - | |
| | Purchases of Stock - in - Trade | 123.81 | 497.26 | 269.18 | 140.58 |
| | Changes in inventories of finished goods, stock -in-trade and work-in-Progress | (21.78) | (152.99) | 15.98 | (15.29) |
| | Employee benefits expenses | 9.80 | 44.72 | 2.87 | 2.02 |
| | Finance costs | - | 1.18 | 1.59 | 1.91 |
| | Depreciation and amortization expenses | 1.95 | 2.08 | 0.02 | 0.01 |
| | Other Expenses | 11.07 | 47.64 | 19.02 | 0.51 |
| | Total Expenses (IV) | 124.85 | 439.89 | 308.66 | 129.74 |
| V | Profit/(Loss) before exceptional & extraordinary items and tax (I-IV) | 91.17 | 624.75 | 103.91 | 3.04 |
| VI | Exceptional Items- CSR expenditure | 5.37 | 4.84 | - | - |
| VII | Profit/(Loss) before Share of Profit/(Loss) of Associates (V-VI) | 85.80 | 619.91 | 103.91 | 3.04 |
| VIII | Share of Profit/(Loss) of Associates: | | | | |
| | (a) Share of profit/(Loss) from Apsara Selections Limited | - | - | - | - |
| | (b) Share of profit/(Loss) from Sunview Nirman Private Limited | 0.01 | 2.75 | - | - |
| | Share of Profit/(Loss) of Associates of Wholly Owned Subsidiary: | | | | |
| | (c) Share of profit/(Loss) from Afterlink Infra Projects Pvt. Ltd. | -0.00 | 0.00 | - | - |
| | (d) Share of profit/(Loss) from Sankhu Merchandise Pvt. Ltd. | (0.00) | (0.05) | - | - |
| IX | Profit Before Tax (VII+VIII) | 85.81 | 622.61 | 103.91 | 3.04 |
| IX | Tax expense | | | | |
| | Current Tax | 23.77 | 153.82 | 18.37 | 0.47 |
| | Earlier Year Tax Adjustments | - | - | - | - |
| | Deferred Tax | 0.89 | 1.34 | 0.00 | 0.00 |
| X | Profit (Loss) for the period from continuing operations (VIII-IX) | 61.15 | 467.45 | 85.54 | 2.57 |
| XI | Profit (Loss) for the period from discontinued operations | - | - | - | - |

| | | | | | |
|------|---|---------|---------|--------|--------|
| XII | Tax expenses of discontinued operations | - | - | - | - |
| XIII | Profit (Loss) for the period from discontinued operations (after tax) (XI-XII) | - | - | - | - |
| XIV | Profit/ (Loss) after tax for the period (X+XIII) | 61.15 | 467.45 | 85.54 | 2.57 |
| XV | Other Comprehensive Income | | | | |
| | A. (i) items that will not be reclassified to profit or loss | | | | |
| | (ii) income tax relating to items that will not be reclassified to profit or loss | - | - | - | - |
| | B. (i) items that will be reclassified to profit or loss | (14.83) | (34.92) | 86.54 | 11.32 |
| | (ii) income tax relating to items that will be reclassified to profit or loss | - | - | - | - |
| XVI | Total Comprehensive Income (XIV+XV) | 46.32 | 432.53 | 172.08 | 13.89 |
| | Net Profit attributable to: | | | | |
| | (i) Owners of the Company | 61.15 | 467.45 | 85.54 | 2.57 |
| | (ii) Non-Controlling Interest | - | - | - | (0.00) |
| | Other Comprehensive Income attributable to: | | | | |
| | (i) Owners of the Company | (14.83) | (34.92) | 86.54 | 11.33 |
| | (ii) Non-Controlling Interest | - | - | - | (0.01) |
| | Total Comprehensive Income attributable to: | | | | |
| | (i) Owners of the Company | 46.31 | 432.53 | 172.08 | 13.90 |
| | (ii) Non-Controlling Interest | - | - | - | (0.01) |
| XVII | Earnings Per Equity Share: | | | | |
| | Basic(In Rs.) | 1.24 | 9.45 | 1.73 | 0.05 |
| | Diluted (In Rs.) | 1.24 | 9.45 | 1.73 | 0.05 |

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361
Restated Consolidated Statement of Cash Flow

(₹ in million)

| PARTICULARS | For the period ended July 31, 2023 | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| (A) Cash flows from operating activities | | | | |
| Net Profit before taxation | 85.80 | 619.91 | 103.91 | 3.04 |
| Adjustment for : | | | | |
| Finance Cost | - | 1.18 | 1.59 | 1.91 |
| Depreciation & Amortisation | 1.95 | 2.08 | 0.02 | 0.01 |
| Provision for Gratuity | 2.03 | 1.20 | - | - |
| Interest Income | (0.37) | (11.64) | (2.73) | (0.67) |
| Provision for CSR | 5.37 | 4.84 | - | - |
| CSR Paid | - | - | - | - |
| (Profit)/Loss on Sale of Investment | (3.77) | (25.14) | - | - |
| Rental Income | (1.60) | (0.20) | - | - |
| Operating Profit before working capital changes | 89.41 | 592.23 | 102.79 | 4.29 |
| Increase / (Decrease) in Trade Payables | 0.00 | 0.48 | 0.01 | (0.55) |
| Increase / (Decrease) in Other Current Liabilities | (22.61) | 12.65 | 4.92 | 15.94 |
| Increase / (Decrease) in Short Term Provisions | - | - | - | - |
| (Increase) / Decrease in Inventories | (21.79) | (152.99) | 15.98 | (15.29) |
| (Increase) / Decrease in Trade Receivable | 0.72 | 32.57 | (33.79) | 31.84 |
| (Increase) / Decrease in Short Term Loans & Advances | - | - | - | - |
| (Increase) / Decrease in Current Loans | 8.36 | (13.57) | 12.84 | (12.28) |
| (Increase) / Decrease in Other Current Financial Asset | (53.19) | 1.21 | (4.84) | (3.87) |
| (Increase) / Decrease in Other Current Asset | (2.55) | 0.87 | (1.23) | 0.44 |
| Operating Profit after working capital changes | (1.65) | 473.45 | 96.68 | 20.52 |
| Income taxes paid | (40.35) | (75.24) | (2.60) | (0.26) |
| <i>Net Cash from/ (used in) Operating Activities (A)</i> | (42.00) | 398.21 | 94.08 | 20.26 |
| (B) Cash flows from investing activities | | | | |
| (Purchase)/ Sale of Property, Plant & Equipment and Intangible assets | (6.21) | (136.51) | (0.08) | (0.02) |
| (Purchase)/ Sale of Investment Property | - | (101.86) | - | - |
| (Purchase)/ Sale of Non-Current Investments (Net) | (34.16) | (113.93) | (40.75) | 29.73 |
| (Purchase)/ Sale of Current Investments (Net) | 72.04 | (82.46) | - | - |
| (Increase) / Decrease in Non-Current Loans | (16.04) | (6.33) | - | - |
| Bank balances other than cash & cash equivalent | - | - | - | (0.38) |
| (Increase) / Decrease in Goodwill | - | (15.59) | 5.91 | - |
| (Increase) / Decrease in Other Non-current Financial assets | 16.95 | (13.40) | (3.55) | - |
| Interest Income | 0.37 | 11.64 | 2.73 | 0.67 |
| Rental Income | 1.60 | 0.20 | - | - |
| Profit on Sale of Investments | 3.77 | 25.14 | - | - |
| <i>Net Cash from/ (used in) Investing Activities (B)</i> | 38.32 | (433.10) | (35.74) | 30.00 |
| (C) Cash Flow from Financing Activities | | | | |
| Increase / (Decrease) in Short Term Borrowings | (5.88) | 4.29 | -2.78 | (46.94) |
| Increase / (Decrease) in Non-Controlling Interest | - | - | (0.06) | 0.03 |
| IPO related expenses | (8.32) | - | - | - |
| Increase/(Decreased) in Other Non-Current Financial Liabilities | (10.00) | 20.00 | - | - |
| Finance Cost | - | (1.18) | (1.59) | (1.91) |
| <i>Net Cash from/ (used in) Financing Activities (C)</i> | (24.20) | 23.11 | (4.43) | (48.82) |
| (i) Net increase in cash and cash equivalents (A+B+C) | (27.88) | (11.78) | 53.91 | 1.44 |
| (ii) Cash and cash equivalents at beginning of period | 44.20 | 55.98 | 2.07 | 0.63 |
| (iii) Cash and cash equivalents at end of period (i + ii) | 16.32 | 44.20 | 55.98 | 2.07 |

Notes :-

i) The above Cash Flow Statement has been prepared in accordance with Indirect Method as prescribed in IndAS-7.

ii) Cash and Cash Equivalents Comprises of :-

(₹ in million)

| Particulars | For the period ended July 31, 2023 | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Cash-in-hand | 0.67 | 0.73 | 0.41 | 0.79 |
| Bank Accounts | 15.65 | 43.47 | 55.57 | 1.28 |
| Fixed Deposit | | | | |
| - With Maturity less than three months | - | - | - | - |
| | 16.32 | 44.20 | 55.98 | 2.07 |

GENERAL INFORMATION

The Company was originally incorporated as '**Sherwood Securities Private Limited**' as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 29, 2010 issued by the Deputy Registrar of Companies, West Bengal. Subsequently, the name of the Company was changed to '**Gretex Share Broking Private Limited**' vide special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on August 21, 2017 and a fresh certificate of incorporation pursuant to change of name was issued by Registrar of Companies, Mumbai dated September 1, 2017. Subsequently, the Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of the Company at the extraordinary general meeting held on August 8, 2023 and the name of the Company was changed to '**Gretex Share Broking Limited**' and a fresh certificate of incorporation consequent upon conversion to a public limited company dated September 4, 2023 was issued by Registrar of Companies, Mumbai. The Corporate Identity Number of the Company is U65900MH2010PLC289361.

REGISTERED OFFICE OF OUR COMPANY

Gretex Share Broking Limited

A-401, Floor 4th, Plot FP-616, (PT),
Naman Midtown, Senapati Bapat Marg,
Near Indiabulls Dadar (West),
Delisle Road, Mumbai 400013,
Maharashtra, India.

Tel No: +91-22-69308500

Email: compliance@gretexbroking.com

Investor Grievance ID: grievances@gretexbroking.com

Website: <https://www.gretexbroking.com>

For details relating to changes in our registered office, see "History and Certain Corporate Matters - Changes in Registered Office" on page 167 of this Draft Red Herring Prospectus.

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

Corporate Identification Number: U65900MH2010PLC289361

Registration Number: 289361

ADDRESS OF REGISTRAR OF COMPANIES

Our Company is registered with the RoC – Mumbai, which is situated at the following address:
100, Everest, Marine Drive,
Mumbai- 400002, Maharashtra.

Board of Directors of our Company

As on the date of this Draft Red Herring Prospectus, our Board of Directors is as set out below:

| Name of Director | Designation | DIN | Address |
|--------------------------|---|----------|--|
| Alok Harlalka | Chairman and Joint Managing Director | 02486575 | Flat No. 2805, Floor No. 28, Crescent Bay, Bhoiwada, Jerbai Wadia Road, Mumbai, Maharashtra, 400012. |
| Arvind Harlalka | Managing Director | 00494136 | C/O 54/10, Fl-3e, Debendra Chandra Dey Road, Dhapa, Tangra, Kolkata, West Bengal, 700015. |
| Deepak Navinchandra Shah | Whole-Time Director & Chief Financial Officer | 02585061 | 701, 7 th floor, Ratnadeep Co-op Hsg Soc Ltd, Near Ghantali Temple, Vishnu Nagar, School No. 19, Navpada, Thane, Maharashtra- 400602. |
| Vivek Joshi | Independent Director | 01801442 | 702, Wing B. The Goregaon Ganesh CHS Ltd., MG Road, Vedant, Unnant Nagar 2 |

| Name of Director | Designation | DIN | Address |
|-----------------------|----------------------|----------|--|
| | | | BHD Baliga Hospital, Goregaon West, Mumbai- 400104. |
| Anjali Vikas Sapkal | Independent Director | 02136528 | Plot No.- 104, Flat No. 403, Ramya Co. Housing Society, Shivam Nursing Home, Charkop, Sector 2, Kandivali West, Mumbai, Mumbai, Maharashtra, 400067. |
| Jiten Talakchand Shah | Independent Director | 03147534 | Flat No. B-601, Jaswanti Garden, Matoshri Ramabai Marg, Behind Liberty Garden, Malad West, Mumbai, Maharashtra, 400064. |
| Navdeep Nigam | Independent Director | 09525830 | 1704, Blue Mountain Bldg, A Wing, Iraniwadi, Upper Govind Nagar, Mumbai, Malad East, Maharashtra-400097. |

For further details of our Directors, see “*Our Management*” on page 172 of this Draft Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Niket Pradipkumar Thakkar

A-401, Floor 4th, Plot FP-616, (PT),
Naman Midtown, Senapati Bapat Marg,
Near Indiabulls Dadar (West),
Delisle Road, Mumbai 400013,
Maharashtra, India.

Tel No.: +91-22-69308500

Email: niket@gretexbroking.com

COMPLIANCE OFFICER

Meenu Walia

A-401, Floor 4th, Plot FP-616, (PT),
Naman Midtown, Senapati Bapat Marg,
Near Indiabulls Dadar (West),
Delisle Road, Mumbai 400013,
Maharashtra, India.

Tel No.: +91-22-69308500

Email: compliance@gretexbroking.com

Investor grievances

Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode, etc. For all Offer-related queries and for redressal of complaints, Investors may also write to the BRLM.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or first Bidder, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the

Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

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

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

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

The Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned above.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited

Pantomath Nucleus House

Saki-Vihar Road, Andheri-East,

Mumbai, Maharashtra-400072

Tel: +91-02261946700

E-mail: gretexbroking.ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Investor Grievance E-mail: investors@pantomathgroup.com

Contact Person: Ruchira Singhania

SEBI Registration No.: INM000012110

STATEMENT OF RESPONSIBILITIES

Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by Pantomath Capital Advisors Private Limited and hence, a statement of inter-se allocation of responsibilities is not required.

LEGAL COUNSEL TO THE OFFER

Messrs. Kanga and Company

Advocates & Solicitors

Readymoney Mansion

43, Veer Nariman Road

Mumbai – 400 001

Tel No: +91 22 6623 0000

Email: chetan.thakkar@kangacompany.com

Contact Person: Chetan Thakkar

STATUTORY AUDITORS TO OUR COMPANY

M/s. Gupta Agarwal & Associates

Imax Lohia Square, 23,
Gangadhar Babu Lane, 3rd Floor,
Room No. 3A, Kolkata- 700012
Tel: +91-9836432639/9339535595
Email: guptaagarwal.associate@gmail.com
Contact person: Jay Shankar Gupta
Membership No.: 059535
Peer Review Number: 013306
Firm Registration Number: 329001E

Changes in statutory auditors during the last three years

There have been no changes in the statutory auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus.

REGISTRAR TO THE OFFER

Bigshare Services Private Limited

Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Center, Mahakali Caves Road,
Andheri East, Mumbai-400093
Tel: +91 22-6263 8200
Fax: +91 22-6263 8299
Email: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Babu Rapheal C.
SEBI Registration Number: INR000001385

BANKERS TO OUR COMPANY

HDFC BANK LTD

65, Sonawala Bldg.,
Mumbai Samachar Marg,
Fort, Mumbai - 400021

DESIGNATED INTERMEDIARIES

SYNDICATE MEMBERS

The Syndicate Member(s) will be appointed prior to filing of the Red Herring Prospectus with the RoC.

BANKERS TO THE OFFER

The Bankers to the Offer will be appointed prior to filing of the Red Herring Prospectus with the RoC.

ESCROW COLLECTION BANK, PUBLIC ISSUE ACCOUNT BANK, REFUND BANK AND SPONSOR BANK

The Sponsor Bank/Refund Bank/Escrow Collection Bank, Public Issue Account Bank shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, 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 Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SELF CERTIFIED SYNDICATE BANKS ELIGIBLE AS SPONSOR BANKS FOR UPI MECHANISM

The list of SCSBs through which Bids can be submitted by the UPI Bidders using the UPI Mechanism, including details such as the eligible Mobile Applications and UPI handle which can be used for such Bids, is available on the website of the SEBI, and may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website.

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 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders 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.

SYNDICATE SCSB BRANCHES

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

REGISTERED BROKERS

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit the ASBA Forms in the Offer using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centers.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS (RTAs)

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 websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx> and <https://www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm>, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

COLLECTING RTAs

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of Collecting RTAs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively, as updated from time to time.

CREDIT RATING

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

GREEN SHOE OPTION

No Green Shoe Option is contemplated under this Offer.

BROKERS TO THE OFFER

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

DEBENTURE TRUSTEE

As this is an Offer consisting of Equity Shares, the appointment of a debenture trustee is not required for the Offer.

IPO GRADING OF THE OFFER

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

EXPERTS

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

Our Company has received written consent dated December 14, 2023, from our Statutory Auditors, M/s. Gupta Agarwal & Associates, Chartered Accountants, who hold a valid peer review certificate dated July 15, 2021, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) the examination report dated December 7, 2023 on the Restated Consolidated Financial Statements; and (ii) the Statement of Possible Tax Benefits dated December 11, 2023, included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

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

TRUSTEES

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

MONITORING AGENCY

Our Company will appoint the monitoring agency for monitoring the utilization of the Net Proceeds in compliance with Regulation 41 of the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus with the RoC. For details, see “*Objects of the Offer – Monitoring of utilization of funds*” on page 94 of this Draft Red Herring Prospectus.

APPRAISING AGENCY

None of the objects for which the Net Proceeds will be utilized have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Offer.

FILING OF THE OFFER DOCUMENT

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at cfddil@sebi.gov.in in accordance with SEBI circular dated March 27, 2020, in relation to “Easing of Operational Procedure –Division of Issues and Listing –CFD”; and has been filed with SEBI electronically on the platform provided by SEBI at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference

SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and Regulation 25(8) of the SEBI ICDR Regulations. Further, a physical copy of this Draft Red Herring Prospectus shall be filed at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
Plot No.C4-A, 'G' Block
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051, Maharashtra

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office and through the electronic portal at <https://www.mca.gov.in/mcafoportal/login.do>.

BOOK BUILDING PROCESS

The book building, in context of the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the BRLM, and advertised in [●] editions of the widely circulated English national daily newspaper [●], [●] editions of the widely circulated Hindi national daily newspaper [●] and [●] editions of the widely circulated Marathi daily newspaper [●], (Marathi being the regional language of Maharashtra, where our Registered Office is located) at least 2 (two) Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date. The principal parties involved in the Book Building Process are:

- (1) the Company;
- (2) the BRLM;
- (3) the Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as Underwriters;
- (4) the Registrar to the Offer;
- (5) the Escrow Collection Banks/ Bankers to the Offer;
- (6) the Sponsor Bank(s);
- (7) the SCSBs; and
- (8) the Registered Brokers.

All potential Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Offer by providing details of their bank account in which the corresponding Bid Amount which will be blocked by the SCSBs. UPI Bidders can also participate in the Offer through the UPI Mechanism under the ASBA process by either (a) providing the details of their ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid /Offer Period and withdraw their Bids on or before the Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than the Anchor Investors), in the Offer will be on a proportionate basis. However, allocation to the Anchor Investors will be on a discretionary basis. For allocation to the Non-Institutional Bidders, the following shall be followed:

- (a) One-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹ 200,000 and up to ₹ 10,00,000;

(b) Two-thirds of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹ 10,00,000.

Provided that the unsubscribed portion in either of the sub-categories specified under clauses (a) or (b), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

Each Bidder by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details, see “*The Offer*”, “*Terms of the Offer*” and “*Offer Procedure*” on pages 53, 242 and 253, respectively of this Draft Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Offer. In this regard, our Company has appointed the BRLM to manage the Offer and procure subscriptions to the Offer.

The Book Building Process under the SEBI ICDR Regulations is subject to change from time to time and Bidders are advised to make their own judgment about an investment through the Book Building Process prior to submitting a Bid in the Offer.

For further details on the method and procedure for Bidding, see “*Offer Structure*” and “*Offer Procedure*” on pages 249 and 253, respectively of this Draft Red Herring Prospectus.

Bidders should note that the Offer is also subject to (i) filing of the Prospectus by the Company with the RoC; and; (ii) the Company obtaining final listing and trading approvals from the Stock Exchanges, which the Company shall apply for post-Allotment.

UNDERWRITING AGREEMENT

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein. The Underwriting Agreement is dated [●].

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. This portion has been intentionally left blank and will be filled in before the filing of the Prospectus with the RoC.)

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

The above mentioned is indicative underwriting and will be finalized after determination of the Offer Price and actual allocation subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as merchant bankers with SEBI or as brokers with the Stock Exchange(s). Our Board of Directors, at its meeting held on [●], approved the acceptance and entering into the Underwriting Agreement mentioned above on behalf of our Company.

Notwithstanding the table above, the BRLM and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to the Bidders procured by them in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The Underwriting Agreement shall list out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across

all categories indicating the percentage to be paid as margin by the Bidders at the time of Bidding. The extent of underwriting obligations and the Bids to be underwritten in the Offer by the BRLM shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

Our Equity Share capital, as at the date of this Draft Red Herring Prospectus and after the proposed Offer is set forth below: -

(in ₹ except share data or where indicated otherwise)

| Particulars | Aggregate Value at Face value (in ₹) | Aggregate Value at Offer Price (in ₹) |
|---|--------------------------------------|---------------------------------------|
| A. AUTHORISED SHARE CAPITAL# | | |
| 8,00,00,000 Equity Shares of ₹ 10 each | 80,00,00,000 | - |
| B. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER | | |
| 4,94,77,800 Equity Shares of ₹ 10 each | 49,47,78,000 | - |
| C. PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS | | |
| Offer of up to 1,98,77,915 Equity Shares ⁽¹⁾⁽²⁾ | [●] | [●] |
| <i>Which includes:</i> | | |
| Fresh Issue of up to 1,67,81,915 Equity Shares ⁽¹⁾ | [●] | [●] |
| Offer for Sale of upto 30,96,000 Equity Shares ⁽³⁾ | [●] | [●] |
| The Offer comprises of: | | |
| A) QIB Portion | | |
| <i>of which:</i> | | |
| i Anchor Investor Portion | [●] | [●] |
| ii Net QIB Portion (assuming Anchor Investor Portion is fully subscribed) | [●] | [●] |
| <i>of which:</i> | | |
| (a) Available for allocation to Mutual Funds only (5% of the QIB Portion) | [●] | [●] |
| (b) Balance for all QIBs including Mutual Funds | [●] | [●] |
| B) Non-Institutional Portion | | |
| <i>of which:</i> | | |
| One-third of the Non-Institutional Portion available for allocation to Bidders with an application size between ₹ 2,00,000 to ₹ 10,00,000 | [●] | [●] |
| Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10,00,000 | [●] | [●] |
| C) Retail Portion | [●] | [●] |
| D. ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE OFFER | | |
| [●] Equity Shares of face value of ₹ 10 each* | [●] | |
| E. SECURITIES PREMIUM ACCOUNT | | |
| Before the Offer | 8,98,43,050 | |
| After the Offer | [●] | |

*To be updated upon finalization of the Offer Price

- (1) The Offer has been authorized by way of a resolution of our Board dated December 7, 2023 and by way of a special resolution of our Shareholders, dated December 11, 2023.
- (2) Our Company, in consultation with the BRLM, may consider a Pre-IPO placement of up to 33,12,985 Equity Shares prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from

the Offer, subject to compliance with Rule 19(2)(b) of the SCRR. Details of Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

(3) The Selling Shareholders have authorised and consented the sale of the Offered Shares in the Offer for Sale. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to a resolution at its meeting held on December 14, 2023. For details on the authorization of the Selling Shareholders in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures” on page 229.

For details of changes to the Company’s authorised share capital in the last ten (10) years, see “History and Certain Corporate Matters” on page 167.

Notes to Capital Structure

1. Share Capital history of the Company

(a) The following table sets forth the history of the Equity Share Capital of the Company:

| Date of allotment of Equity Shares | No. of Equity Shares Allotted | Face Value per Equity Share (in ₹) | Issue Price Per Equity Share (in ₹) | Nature of consideration | Reasons/ Nature of allotment | Cumulative no. of Equity Shares | Cumulative paid-up Equity Share Capital (in ₹) |
|------------------------------------|-------------------------------|------------------------------------|-------------------------------------|-------------------------------|--|---------------------------------|--|
| Initial Subscription of MOA | 10,000 | 10 | 10 | Cash | Subscription to MoA ⁽¹⁾ | 10,000 | 1,00,000 |
| May 25, 2010 | 3,15,000 | 10 | 10 | Cash | Further Issue ⁽²⁾ | 3,25,000 | 32,50,000 |
| January 01, 2011 | 25,000 | 10 | 300 | Cash | Further Issue ⁽³⁾ | 3,50,000 | 35,00,000 |
| December 13, 2012 | 4,50,000 | 10 | 30 | Cash | Further Issue ⁽⁴⁾ | 8,00,000 | 80,00,000 |
| March 12, 2018 | 6,98,571 | 10 | 21 | Cash | Preferential Allotment ⁽⁵⁾ | 14,98,571 | 1,49,85,710 |
| March 14, 2018 | 25,31,048 | 10 | 21 | Cash | Preferential Allotment ⁽⁶⁾ | 40,29,619 | 4,02,96,190 |
| March 15, 2018 | 6,42,857 | 10 | 21 | Cash | Preferential Allotment ⁽⁷⁾ | 46,72,476 | 4,67,24,760 |
| March 16, 2018 | 24,51,224 | 10 | 21 | Cash | Preferential Allotment ⁽⁸⁾ | 71,23,700 | 7,12,37,000 |
| April 03, 2018 | 3,86,900 | 10 | 21 | Cash | Preferential Allotment ⁽⁹⁾ | 75,10,600 | 7,51,06,000 |
| April 06, 2018 | 7,35,700 | 10 | 21 | Cash | Preferential Allotment ⁽¹⁰⁾ | 82,46,300 | 8,24,63,000 |
| July 13, 2023 | 4,12,31,500 | 10 | Nil | Consideration other than cash | Bonus Issue ⁽¹¹⁾ | 4,94,77,800 | 49,47,78,000 |

Notes:

Note 1

Date of Allotment: Initial subscription of MOA

| Sr. No. | Name | No. of Equity Shares |
|---------|---------------------|----------------------|
| 1. | Rahul Jhunjunwala | 5,000 |
| 2. | Shyama Charam Kumar | 5,000 |
| | Total | 10,000 |

Note 2

Date of Allotment: May 25, 2010

| Sr. No. | Name | No. of Equity Shares |
|---------|---|----------------------|
| 1. | Alok Harlalka | 5,000 |
| 2. | Rahul Jhunjhunwala | 10,000 |
| 3. | Allied Commodeal Private Limited | 1,50,000 |
| 4. | Dynamic Tradeserv Private Limited (now Gretex Corporate Services Limited) | 75,000 |
| 5. | Ambition Tie-Up Private Limited | 75,000 |
| | Total | 3,15,000 |

Note 3

Date of Allotment: January 01, 2011

| Sr. No. | Name | No. of Equity Shares |
|---------|---|----------------------|
| 1. | Ambition Tie-Up Private Limited | 5,000 |
| 2. | Dynamic Tradeserv Private Limited (now Gretex Corporate Services Limited) | 5,000 |
| 3. | Heritage Barter Private Limited (now Gretex Industries Limited) | 5,000 |
| 4. | Northstar Exim Private Limited | 5,000 |
| 5. | Sonata Mercantiles Private Limited | 5,000 |
| | Total | 25,000 |

Note 4

Date of Allotment: December 13, 2012

| Sr. No. | Name | No. of Equity Shares |
|---------|---|----------------------|
| 1. | Zyana Developers Private Limited | 2,25,000 |
| 2. | Heritage Barter Private Limited (now Gretex Industries Limited) | 2,25,000 |
| | Total | 4,50,000 |

Note 5

Date of Allotment: March 12, 2018

| Sr. No. | Name | No. of Equity Shares |
|---------|--------------------------------|----------------------|
| 1. | Bonanza Agency Private Limited | 6,98,571 |
| | Total | 6,98,571 |

Note 6

Date of Allotment: March 14, 2018

| Sr. No. | Name | No. of Equity Shares |
|---------|-----------------------------------|----------------------|
| 1. | Bonanza Agency Private Limited | 19,64,329 |
| 2. | Gretex Corporate Services Limited | 5,66,719 |
| | Total | 25,31,048 |

Note 7

Date of Allotment: March 15, 2018

| Sr. No. | Name | No. of Equity Shares |
|---------|-----------------------------------|----------------------|
| 1. | Gretex Corporate Services Limited | 6,42,857 |
| 2. | Total | 6,42,857 |

Note 8

Date of Allotment: March 16, 2018

| Sr. No. | Name | No. of Equity Shares |
|---------|------------------------------------|----------------------|
| 1. | Apsara Selections Limited | 7,75,000 |
| 2. | Sankhu Merchandise Private Limited | 13,66,700 |
| 3. | Gretex Corporate Services Limited | 3,09,524 |
| | Total | 24,51,224 |

Note 9

Date of Allotment: April 03, 2018

| Sr. No. | Name | No. of Equity Shares |
|---------|---------------------------------|----------------------|
| 1. | Ambition Tie-Up Private Limited | 3,86,900 |
| | Total | 3,86,900 |

Note 10

Date of Allotment: April 06, 2018

| Sr. No. | Name | No. of Equity Shares |
|---------|---|----------------------|
| 1. | Talent Investment Company Private Limited | 7,35,700 |
| | Total | 7,35,700 |

Note 11

Date of Allotment: July 13, 2023 (Bonus Allotment in the ratio of 5:1)

| Sr. No. | Name | No. of Equity Shares |
|---------|---|----------------------|
| 1. | Sankhu Merchandise Private Limited | 78,33,500 |
| 2. | Ambition Tie-Up Private Limited | 43,09,500 |
| 3. | Gretex Corporate Services Limited | 1,28,00,500 |
| 4. | Talent Investment Company Private Limited | 41,46,000 |
| 5. | Bonanza Agency LLP | 77,62,000 |
| 6. | Pooja Harlalka | 18,00,000 |
| 7. | Sashi Harlalka | 7,15,000 |
| 8. | Sumeet Harlalka | 7,15,000 |
| 9. | Alok Harlalka HUF | 11,50,000 |
| | Total | 4,12,31,500 |

2. Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.
3. Equity Shares issued for consideration other than cash.

| Date of the allotment | No. of Equity Shares | Issue Price (in ₹) | Reasons for allotment | Benefits accruing to the Company | Person to whom the allotment was made |
|-----------------------|----------------------|--------------------|-----------------------|----------------------------------|---------------------------------------|
| July 13, 2023 | 4,12,31,500 | Nil | Bonus Allotment | Nil | Please refer Note 1 |

Note 1

Date of Allotment: July 13, 2023 (Bonus Allotment in the ratio of 5:1).

| Sr. No. | Name | No. of Equity Shares |
|---------|---|----------------------|
| 1. | Sankhu Merchandise Private Limited | 78,33,500 |
| 2. | Ambition Tie-Up Private Limited | 43,09,500 |
| 3. | Gretex Corporate Services Limited | 1,28,00,500 |
| 4. | Talent Investment Company Private Limited | 41,46,000 |
| 5. | Bonanza Agency LLP | 77,62,000 |
| 6. | Pooja Harlalka | 18,00,000 |
| 7. | Sashi Harlalka | 7,15,000 |
| 8. | Sumeet Harlalka | 7,15,000 |
| 9. | Alok Harlalka HUF | 11,50,000 |
| | Total | 4,12,31,500 |

4. Till date, no Equity Shares have been issued out of capitalization of its revaluation reserves or unrealized profits by our Company.
5. Till date, no Equity Shares have been allotted by our Company pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of Companies Act, 2013.
6. Till date, no Equity shares have been allotted under any Employee Stock Option Scheme or Employee Stock Purchase Scheme.
7. Except the Bonus Issue as stated above in the “Share Capital History of the Company”, our Company has not issued any Equity Shares in the year preceding the date of this Draft Red Herring Prospectus, which may be at a price lower than the Offer Price.
8. **Build-up of Promoters’ shareholding in our Company:**

a) History of Equity Share capital held by the Promoters:

As on the date of this Draft Red Herring Prospectus, our Promoters namely Gretex Corporate Services Limited, Ambition Tie-Up Private Limited, Talent Investment Company Private Limited, Sashi Harlalka and Pooja Harlalka hold 4,51,27,260 Equity Shares, constituting 91.21%, of the issued, subscribed and paid-up Equity Share capital of the Company. However, our Promoters namely Alok Harlalka, Arvind Harlalka, Rajkumari Harlalka and Anita Harlalka do not hold any Equity Shares of the Company. The build-up of shareholding of the Promoters since incorporation is as follows:

Gretex Corporate Services Limited

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|---------------|-----------------------|--------------------------------|---------------------------------|
| May 25, 2010 | 75,000 | 10 | 10 | Cash | Allotment | 0.15% | [●] |
| January 1, 2011 | 5,000 | 10 | 300 | Cash | Allotment | 0.01% | [●] |
| March 14, 2018 | 5,66,719 | 10 | 21 | Cash | Allotment | 1.15% | [●] |
| March 15, 2018 | 6,42,857 | 10 | 21 | Cash | Allotment | 1.30% | [●] |
| March 16, 2018 | 3,09,524 | 10 | 21 | Cash | Allotment | 0.63% | [●] |
| October 03, 2019 | 3,81,000 | 10 | 21 | Cash | Transfer from | 0.77% | [●] |

| | | | | | | | |
|--------------------|-------------|----|--------|-------------------------------|--|--------|-----|
| | | | | | Bonanza Agency LLP | | |
| December 10, 2022 | 5,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.01% | [●] |
| December 10, 2022 | 10,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.02% | [●] |
| December 10, 2022 | 1,50,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.30% | [●] |
| December 10, 2022 | 5,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.01% | [●] |
| December 10, 2022 | 5,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.01% | [●] |
| December 10, 2022 | 25,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.05% | [●] |
| December 10, 2022 | 3,80,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.77% | [●] |
| July 13, 2023 | 1,28,00,500 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 25.87% | [●] |
| September 12, 2023 | 2,00,000 | 10 | 16.83* | Cash | Transfer from Sankhu Merchandise Private Limited | 0.40% | [●] |
| September 12, 2023 | 13,66,700 | 10 | 16.83* | Cash | Transfer from Sankhu Merchandise Private Limited | 2.76% | [●] |
| September 12, 2023 | 78,33,500 | 10 | 16.83* | Cash | Transfer from Sankhu Merchandise | 15.83% | [●] |

| | | | | | | | |
|--------------------|--------------------|----|--------|------|----------------------------------|---------------|------------|
| | | | | | Private Limited | | |
| September 12, 2023 | 72,01,860 | 10 | 16.83* | Cash | Transfer from Bonanza Agency LLP | 14.56% | [●] |
| Total | 3,19,62,660 | | | | | 64.60% | [●] |

*Post Bonus Issue transaction price

Ambition Tie-Up Private Limited

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|-------------------------------|--|--------------------------------|---------------------------------|
| May 25, 2010 | 75,000 | 10 | 10 | Cash | Allotment | 0.15% | [●] |
| January 01, 2011 | 5,000 | 10 | 300 | Cash | Allotment | 0.01% | [●] |
| April 03, 2018 | 3,86,900 | 10 | 21 | Cash | Allotment | 0.78% | [●] |
| December 10, 2022 | 3,95,000 | 10 | 51 | Cash | Transfer from Apsara Selection Private Limited | 0.80% | [●] |
| July 13, 2023 | 43,09,500 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 8.71% | [●] |
| Total | 51,71,400 | | | | | 10.45% | [●] |

Talent Investment Company Private Limited

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|---------------|--|--------------------------------|---------------------------------|
| April 6, 2018 | 7,35,700 | 10 | 21 | Cash | Allotment | 1.49% | [●] |
| December 10, 2022 | 5,000 | 10 | 51 | Cash | Transfer from Sunview Nirman Private Limited | 0.01% | [●] |
| December 10, 2022 | 5,000 | 10 | 51 | Cash | Transfer from Sunview Nirman Private Limited | 0.01% | [●] |
| December 10, 2022 | 83,500 | 10 | 51 | Cash | Transfer from | 0.17% | [●] |

| | | | | | | | |
|---------------|------------------|----|-----|-------------------------------|-------------------------------------|---------------|------------|
| | | | | | Sunview Nirman Private Limited | | |
| July 13, 2023 | 41,46,000 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 8.38% | [●] |
| Total | 49,75,200 | | | | | 10.06% | [●] |

Sashi Harlalka

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|-------------------------------|-------------------------------------|--------------------------------|---------------------------------|
| October 03, 2019 | 1,43,000 | 10 | 21 | Consideration other than cash | Transfer from Bonanza Agency LLP | 0.30% | [●] |
| July 13, 2023 | 7,15,000 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 1.45% | [●] |
| Total | 8,58,000 | | | | | 1.73% | [●] |

Pooja Harlalka

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|-------------------------------|--|--------------------------------|---------------------------------|
| October 3, 2019 | 3,60,000 | 10 | 21 | Cash | Transfer from Bonanza Agency Private Limited | 0.73% | [●] |
| July 13, 2023 | 18,00,000 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 3.64% | [●] |
| Total | 21,60,000 | | | | | 4.37% | [●] |

9. Build-up of Selling Shareholders' shareholding in our Company

History of Equity Share capital held by the Selling Shareholders

Alok Harlalka HUF

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|-------------------------------|---------------------------------|--------------------------------|---------------------------------|
| September 02, 2017 | 5,000 | 10 | 30 | Consideration other than cash | Transfer from Gretex Industries | 0.01% | [●] |

| | | | | | | | |
|--------------------|------------------|----|-----|-------------------------------|---|--------------|------------|
| | | | | | Limited | | |
| September 02, 2017 | 2,25,000 | 10 | 30 | Consideration other than cash | Transfer from Gretex Industries Limited | 0.45% | [●] |
| July 13, 2023 | 11,50,000 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 2.32% | [●] |
| Total | 13,80,000 | | | | | 2.80% | [●] |

Sumeet Harlalka

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|-------------------------------|-------------------------------------|--------------------------------|---------------------------------|
| October 03, 2019 | 1,43,000 | 10 | 21 | Consideration other than cash | Transfer from Bonanza Agency LLP | 0.30% | [●] |
| July 13, 2023 | 7,15,000 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 1.45% | [●] |
| Total | 8,58,000 | | | | | 1.73% | [●] |

Sashi Harlalka

| Date of Allotment / Transfer and Date when made Fully Paid up | No. Equity Shares Allotted / Transferred | Face Value per Equity Share (in ₹) | Issue/ Acquisition/ Transfer Price per Equity Share (in ₹) | Consideration | Nature of Transaction | % of Pre-Issue Paid up Capital | % of Post-Issue Paid up Capital |
|---|--|------------------------------------|--|-------------------------------|-------------------------------------|--------------------------------|---------------------------------|
| October 03, 2019 | 1,43,000 | 10 | 21 | Consideration other than cash | Transfer from Bonanza Agency LLP | 0.30% | [●] |
| July 13, 2023 | 7,15,000 | 10 | Nil | Consideration other than cash | Bonus Allotment in the ratio of 5:1 | 1.45% | [●] |
| Total | 8,58,000 | | | | | 1.73% | [●] |

10. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares.

11. None of the Equity Shares held by our Promoters are pledged.

The following is the Equity Shareholding pattern of the Company as on the date of the Draft Red Herring Prospectus:

| Category (I) | Category of Shareholder (II) | Nos. of Shareholders (III) | No. of fully paid up equity shares held (IV) | No. of partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII)=(IV + (V)+(vi)) | Share holding as a % total No. of shares (calculated as per SCRR, 1957 (VII) As a % of A+B+C 2) | Number of voting rights held in each class of securities (IX) | | | No. of shares underlying outstanding convertible securities (including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | No. of locked in shares (XII) | | No. of shares pledged or otherwise encumbered (XIII) | | (b) No. of equity shares held in dematerialized form (XIV) | | |
|----------------|------------------------------|----------------------------|--|--|---|--|---|---|----------------|-----------------|--|--|-------------------------------|----------|--|----------|--|---------------------------------|-----------------|
| | | | | | | | | No. of voting Rights | | | | | Total as a % of A+B+C | No. (a) | As a % of total shares held (b) | No. (a) | | As a % of total shares held (b) | |
| | | | | | | | | Class (Equity) | Class (Others) | Total | | | | | | | | | |
| Individual | Promoter Group | 1 | 858000 | 0 | 0 | 858000 | 1.73 | 858000 | N.A | 858000 | 1.73 | N.A | N.A | N.A | N.A | N.A | N.A | 858000 | |
| Individual | Promoter | 2 | 3018000 | 0 | 0 | 3018000 | 6.10 | 3018000 | N.A | 3018000 | 6.10 | N.A | N.A | N.A | N.A | N.A | N.A | N.A | 3018000 |
| Body Corporate | Promoter Group | 1 | 2112540 | 0 | 0 | 2112540 | 4.27 | 2112540 | N.A | 2112540 | 4.27 | N.A | N.A | N.A | N.A | N.A | N.A | N.A | 2112540 |
| Body Corporate | Promoter | 3 | 42109260 | 0 | 0 | 42109260 | 85.11 | 42109260 | N.A | 42109260 | 85.11 | N.A | N.A | N.A | N.A | N.A | N.A | N.A | 42109260 |
| HUF | Promoter Group | 1 | 1380000 | 0 | 0 | 1380000 | 2.79 | 1380000 | N.A | 1380000 | 2.79 | N.A | N.A | N.A | N.A | N.A | N.A | N.A | 1380000 |
| Total | | 8 | 49477800 | | | 49477800 | 100 | 49477800 | 0 | 49477800 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 49477800 |

12. Details of Shareholding of major equity Shareholders of the Company:

- i Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company aggregating to 80% or more of the paid-up share capital and the number of Equity Shares held by them as on the date of the filing of this Draft Red Herring Prospectus:

| S. No. | Name of Equity Shareholders | No. of Equity Shares | % of Pre- Offer Equity Share Capital | % of Post- Offer Equity Share Capital |
|--------|---|----------------------|--------------------------------------|---------------------------------------|
| 1. | Gretex Corporate Service Limited | 3,19,62,660 | 64.60% | [●] |
| 2. | Ambition Tie-up Private Limited | 51,71,400 | 10.45% | [●] |
| 3. | Talent Investment Company Private Limited | 49,75,200 | 10.06% | [●] |
| 4. | Pooja Harlalka | 21,60,000 | 4.37% | [●] |
| 5. | Bonanza Agency LLP | 21,12,540 | 4.27% | [●] |
| 6. | Alok Harlalka HUF | 13,80,000 | 2.79% | [●] |
| 7. | Sashi Harlalka | 8,58,000 | 1.73% | [●] |
| 8. | Sumeet Harlalka | 8,58,000 | 1.73% | [●] |
| | Total | 4,94,77,800 | 100% | [●] |

- ii None of the Equity 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 DRHP are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.

- iii Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company and the number of Equity Shares held by them 2 (two) years prior to date of filing of this Draft Red Herring Prospectus:

| S. No. | Name of Equity Shareholders | No. of Equity Shares | % of Pre- Offer Equity Share Capital | % of Post- Offer Equity Share Capital |
|--------|---|----------------------|--------------------------------------|---------------------------------------|
| 1. | Sunview Nirman Private Limited | 3,43,500 | 4.17% | [●] |
| 2. | Pooja Harlalka | 3,60,000 | 4.37% | [●] |
| 3. | Sashi Harlalka | 1,43,000 | 1.73% | [●] |
| 4. | Sumeet Harlalka | 1,43,000 | 1.73% | [●] |
| 5. | Alok Harlalka HUF | 2,30,000 | 2.79% | [●] |
| 6. | Ambition Tie-Up Private Limited | 4,66,900 | 5.66% | [●] |
| 7. | Gretex Corporate Services Limited | 19,80,100 | 24.01% | [●] |
| 8. | Apsara Selection Private Limited | 9,75,000 | 11.82% | [●] |
| 9. | Sankhu Merchandise Private Limited | 15,66,700 | 19.00% | [●] |
| 10. | Bonanza Agency LLP | 13,02,400 | 15.79% | [●] |
| 11. | Talent Investment Company Private Limited | 7,35,700 | 8.92% | [●] |
| | Total | 82,46,300 | 100.00% | [●] |

- iv Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company and the number of Equity Shares held by them 1 (one) year prior to date of filing of this Draft Red Herring Prospectus:

| S. No. | Name of Equity Shareholders | No. of Equity Shares | % of Pre- Offer Equity Share Capital | % of Post- Offer Equity Share Capital |
|--------|---|----------------------|--------------------------------------|---------------------------------------|
| 1 | Sankhu Merchandise Private Limited | 15,66,700 | 19.00% | [●] |
| 2.. | Pooja Harlalka | 3,60,000 | 4.37% | [●] |
| 3. | Sashi Harlalka | 1,43,000 | 1.73% | [●] |
| 4. | Sumeet Harlalka | 1,43,000 | 1.73% | [●] |
| 5. | Alok Harlalka HUF | 2,30,000 | 2.79% | [●] |
| 6. | Ambition Tie-Up Private Limited | 8,61,900 | 10.45% | [●] |
| 7. | Gretex Corporate Services Limited | 25,60,100 | 31.05% | [●] |
| 8. | Bonanza Agency LLP | 15,52,400 | 18.83% | [●] |
| 9. | Talent Investment Company Private Limited | 8,29,200 | 10.06% | [●] |
| | Total | 82,46,300 | 100% | [●] |

- v Names of Equity Shareholders of the Company holding 1% or more of the paid-up capital of the Company and the number of Equity Shares held by them as on 10 (ten) days prior to the date of filing this Draft Red Herring Prospectus:

| S. No. | Name of Equity Shareholders | No. of Equity Shares | % of Pre- Offer Equity Share Capital | % of Post- Offer Equity Share Capital |
|--------|---|----------------------|--------------------------------------|---------------------------------------|
| 1. | Gretex Corporate Service Limited | 3,19,62,660 | 64.60% | [●] |
| 2. | Ambition Tie-up Private Limited | 51,71,400 | 10.45% | [●] |
| 3. | Talent Investment Company Private Limited | 49,75,200 | 10.06% | [●] |
| 4. | Pooja Harlalka | 21,60,000 | 4.37% | [●] |
| 5. | Bonanza Agency LLP | 21,12,540 | 4.27% | [●] |
| 6. | Alok Harlalka HUF | 13,80,000 | 2.79% | [●] |
| 7. | Sashi Harlalka | 8,58,000 | 1.73% | [●] |
| 8. | Sumeet Harlalka | 8,58,000 | 1.73% | [●] |
| | Total | 4,94,77,800 | 100% | [●] |

- vi The Company has not made any initial public offering of specified securities in the preceding 2 (two) years.
13. Except for the allotment of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, if any, the Company presently does not intend or propose to alter its capital structure from the date of filing of the Draft Red Herring Prospectus until a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise.
14. As on the date of the Draft Red Herring Prospectus, the Company has 8 (eight) equity shareholders.
15. **Details of Shareholding of our Promoters and members of Promoter Group in the Company**

The following is the Equity shareholding of our Promoters and Promoter Group as of the date of filing this Draft Red Herring Prospectus:

| S. No. | Name of shareholders | No. of Equity Shares held | % of Pre-Issue Equity Shares Capital | % of Post- Issue Equity Shares |
|------------------|-----------------------------------|---------------------------|--------------------------------------|--------------------------------|
| Promoters | | | | |
| 1. | Gretex Corporate Services Limited | 3,19,62,660 | 64.60% | [●] |

| | | | | |
|-----------------------|---|--------------------|----------------|-----|
| 2. | Ambition Tie-Up Private Limited | 51,71,400 | 10.45% | [●] |
| 3. | Talent Investment Company Private Limited | 49,75,200 | 10.06% | [●] |
| 4. | Pooja Harlalka | 21,60,000 | 4.37% | [●] |
| 5. | Sashi Harlalka | 8,58,000 | 1.73% | [●] |
| Promoter Group | | | | |
| 6. | Bonanza Agency LLP | 21,12,540 | 4.27% | [●] |
| 7. | Alok Harlalka HUF | 13,80,000 | 2.80% | [●] |
| 8. | Sumeet Harlalka | 8,58,000 | 1.73% | [●] |
| | Total | 4,94,77,800 | 100.00% | [●] |

16. Except as stated below, no Equity Shares were purchased or sold by the Promoters, Promoter Group of the Company and/or by the Directors of the Company and their relatives in the preceding 6 (six) months from the date of this DRHP.

| Date of Allotment | No. of Equity Shares allotted to/acquired by Promoter Group and/or Directors and their relatives | Face Value (in ₹) | Issue Price (in ₹) | Nature of Acquisition | Name of Allottee/Transferor |
|--------------------|--|-------------------|--------------------|-------------------------------|--|
| July 13, 2023 | 4,12,31,500 | 10 | Nil | Consideration other than Cash | Allotment of 78,33,500 Equity Shares to Sankhu Merchandise Private Limited, 43,09,500 Equity Shares to Ambition Tie-Up Private Limited, 1,28,00,500 Equity Shares to Gretex Corporate Services Limited, 41,46,000 Equity Shares to Talent Investment Co Private Limited, 77,62,000 Equity Shares to Bonanza Agency LLP, 18,00,000 Equity Shares to Pooja Harlalka, 7,15,000 Equity Shares to Sashi Harlalka, 7,15,000 Equity Shares to Sumeet Harlalka and 11,50,000 Equity Shares to Alok Harlalka HUF by way of bonus in the ratio of 5:1. |
| September 12, 2023 | 2,00,000 | 10 | 16.83* | Transfer | Transfer from Sankhu Merchandise Private Limited |
| September 12, 2023 | 13,66,700 | 10 | 16.83* | Transfer | Transfer from Sankhu Merchandise Private Limited |
| September 12, 2023 | 78,33,500 | 10 | 16.83* | Transfer | Transfer from Sankhu Merchandise Private Limited |
| September 12, 2023 | 72,01,860 | 10 | 16.83* | Transfer | Transfer from Bonanza Agency LLP |

*Post Bonus Issue transaction price

17. There have been no financing arrangements wherein 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 6 (six) months immediately preceding the date of filing of the Draft Red Herring Prospectus.

18. Promoters' contribution and lock-in

Details of Promoters' contribution locked in for period of 18 (eighteen) months:

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Offer Equity Share capital, of our Company as on the date of this Draft Red Herring Prospectus, shall be locked in period of 18 (eighteen) months from the date of Allotment as minimum Promoters' contribution ("Minimum Promoters' Contribution") and the shareholding of the Promoters in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of 6 (six) months year from the date of Allotment. The Equity Shares which are being locked in for 18 (eighteen) months years from the date of Allotment are as follows:

| Promoters | No. of Equity Shares Locked in ⁽¹⁾ | Face Value per Equity Share (in ₹) | Issue/ Acquisition Price per Equity Share (in ₹) | Date of Allotment/ Acquisition and when made fully paid-up* | Nature of Allotment / Transfer | Consideration (Cash/other than cash) | Percentage of post-Offer paid-up capital | Date up to which the Equity Shares are subject to lock-in |
|---|---|------------------------------------|--|---|--------------------------------|--------------------------------------|--|---|
| Pooja Harlalka | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Gretex Corporate Services Limited | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Ambition Tie-Up Private Limited | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Talent Investment Company Private Limited | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |

*Subject to finalization of the Basis of Allotment

⁽¹⁾All Equity Shares were fully paid-up at the time of allotment.

The Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of the Company as the Minimum Promoters' Contribution. The Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoter's Contribution from the date of filing of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

In this connection, please note that:

- (i) The Equity Shares offered for Minimum Promoters' Contribution do not include (i) Equity Shares acquired in the 3 (three) immediately preceding years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealized profits of the Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' Contribution
- (ii) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding 1 (one) year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) The Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm; and
- (iv) The Equity Shares offered for Minimum Promoters' Contribution is not subject to any pledge in favour of any creditor.

Details of Promoters' contribution locked in for 6 (six) months:

Unless provided otherwise under applicable law, pursuant to the SEBI ICDR Regulations, Equity Shares held by the Promoters in excess of the Minimum Promoters' Contribution shall be locked-in for a period of 6 (six) months from the date of Allotment or such other minimum lock-in period as may be prescribed under the SEBI ICDR Regulations.

Details of Lock-in of Equity Shares held by persons other than Promoters for 6 (six) months:

The entire pre-offer capital held by persons other than the Promoters shall be locked-in for a period of 6 (six) months from the date of Allotment.

Details of Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

Recording of non-transferability of Equity Shares locked-in

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- (a) With respect to the Equity Shares locked-in for 6 (six) months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- (b) With respect to the Equity Shares locked-in as Promoters' Contribution for 18 (eighteen) months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the Objects of the Offer, which is not applicable in the context of this Issue.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations. Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

19. **Equity Shareholding of Directors, Key Managerial Personnel and Senior Management in our Company:** None of the Directors, Key Managerial Personnel and Senior Management hold any Equity Shares in the Company. However, Alok Harlalka, the Chairman and Joint Managing Director of the Company, is the Karta of the Alok Harlalka HUF, a Promoter Group member and a Selling Shareholder, which holds 13,80,000 Equity Shares of the Company.
20. Our Company, our Promoters, Selling Shareholders, our Directors and the BRLM have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
21. There are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus and all Equity Shares were fully paid up as on the date of allotment. The Equity Shares to be issued or transferred pursuant to the Offer shall be full paid up at the time of allotment.
22. Neither the BRLM viz. Pantomath Capital Advisors Private Limited nor its associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus. However, the associates and affiliates of BRLM and the Syndicate Members, if any may subscribe to the Issue, in the Non-Institutional Portion, and such subscription may be on their own account or on behalf of their clients.
23. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Promoters, the members of our Promoter Group 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 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 filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription, etc., as the case may be.
25. All Equity Shares of the Company held by the Promoters are in dematerialised form.
26. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Draft Red Herring Prospectus.
27. All transactions in Equity Shares by the Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
28. The Promoters and members of our Promoter Group will not participate in this Offer and will not receive any proceeds from the Offer, except to the extent of their participation as the Selling Shareholders in the Offer for Sale.
29. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

SECTION IV – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue. The Fresh Issue comprises of up to 1,67,81,915 Equity Shares, of face value ₹10/- each aggregating up to ₹ [●] million to be issued by our Company and the Offer for Sale comprises of up to 30,96,000 Equity Shares of face value ₹10/- each, aggregating up to ₹ [●] million by the Promoter Selling Shareholder.

Offer for Sale

The Selling Shareholders will be entitled to receive the proceeds from the Offer for Sale after deducting their proportion of Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale.

Except for listing fees, audit fees and expenses for any corporate advertisements, viz. roadshows in different cities, broker analysts meet, product content advertisement and corporate videos (which shall be solely borne by our Company) all Offer expenses will be shared between our Company and the Selling Shareholders in the manner agreed by them on a pro-rata basis and in proportion to the Equity Shares issued by our Company and the Selling Shareholders through Fresh Issue and Offer for Sale, respectively, in accordance with applicable laws. The proceeds of the Offer for Sale will only be received by the Selling Shareholders and the same will not form part of the Net Proceeds. For further details of the Offer for Sale, please refer to chapter titled “*The Offer*” beginning on page 53.

Objects of the Fresh Issue

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

1. Funding working capital requirements of our Company; and
2. General corporate purposes.

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

In addition, our Company expects to achieve the benefits of listing of the Equity Shares on the Stock Exchanges and enhance our Company’s brand name and image amongst our existing and potential customers.

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised through the Offer. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Offer Proceeds

The details of the proceeds from the Fresh Issue are set forth in the table below:

| <i>(₹ in Million)</i> | |
|--|---------------------------------|
| Particulars | Estimated amount ⁽¹⁾ |
| Gross Proceeds from the Offer ⁽¹⁾ | [●] |
| (Less) Offer related expenses in relation to the Fresh Issue to be borne by our Company ⁽²⁾ | [●] |
| Net Proceeds ⁽¹⁾ | [●] |

⁽¹⁾ To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC, includes the proceeds, if any received pursuant to the Pre-IPO Placement.

⁽²⁾ The Offer related expenses shall vary depending upon the final offer Size and the allotment of Equity Shares.

Utilization of Net Proceeds

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

(₹ in Million)

| Sr. No. | Particulars | Estimated amount |
|---------|---|------------------|
| 1. | Funding working capital requirements of our Company | 1,300.00 |
| 2. | General corporate purposes ⁽¹⁾ | [●] |

⁽¹⁾ To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC. In compliance with Regulation 7(2) of the SEBI ICDR Regulations, the amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Million)

| Sr. No. | Particulars | Amount to be funded from the Net Proceeds | Estimated Utilisation of Net Proceeds in Fiscal 2024 and 2025 |
|---------|---|---|---|
| 1. | Funding working capital requirements of our Company | 1,300.00 | 1,300.00 |
| 2. | General corporate purposes [#] | [●] | [●] |
| 3. | Total | [●] | [●] |

^{*}To be finalized upon determination of Offer Price and updated in the Prospectus prior to filing with RoC

[#]In compliance with Regulation 7(2) of the SEBI ICDR Regulations, the amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the offer.

[#]In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not met in full or part, the same shall be utilized in the next fiscal year, as may be determined by our Board of Directors, in accordance with applicable laws

In the event of the estimated utilisation of the Net Proceeds in a scheduled financial year being not undertaken in full or in part the remaining Net Proceeds shall be utilised in subsequent financial years, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the Objects during the respective periods stated above due to factors including but not limited to (i) global or domestic economic or business conditions; (ii) increased competition; (iii) timely completion of the Offer; (iv) market conditions beyond the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by the Board of Directors of our Company, in accordance with applicable laws. In the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, we may explore a range of options including utilising our internal accruals, any additional equity or debt arrangements or both. We believe that such alternate arrangements would be available with our Company to fund any such shortfalls.

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution, please refer to “Risk Factor No. 20 – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net-Proceeds” in the chapter titled ‘Risk Factors’ on page 42. The fund requirements are based on current circumstances of the business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, including but not limited to market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the Board of Directors. In the event of any shortfall of

funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our Company may explore a range of options including utilizing our internal accruals or seeking debt financing.

Means of finance

The fund requirements for the aforesaid Objects are proposed to be met entirely from the Net Proceeds and existing internal accruals. Accordingly, we confirm that there is no need for our Company to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue under Regulation 7(1)(e) of the SEBI ICDR Regulations and Paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations. Subject to applicable laws, in case of a shortfall in raising of the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including but not limited to availing debt financing.

Details of the Objects of the Offer

The details of the Objects are set out below:

1. Funding working capital requirements of our Company

We provide market making services to our clients. We derive majority of our revenue from Sales of Shares & Securities. For the four months period ended July 31, 2023 and Fiscals 2023, 2022 and 2021 our Sales of Shares & Securities were ₹ 206.62 million, ₹ 945.04 million, ₹ 374.93 million and ₹ 132.83 million which constituted 98.77%, 92.09%, 94.54%, and 97.94% of our revenue from operations respectively. As Market Makers our Company facilitates the issuer companies viz. companies that list their securities on the Stock Exchanges with buying and selling of their securities, post initial public offers. Our Company also has a signed MOU with one of our Promoters Gretex Corporate Services Limited, a SEBI registered category-I Merchant Banker, to be the market makers for upcoming 28 SME IPOs. With upcoming IPOs our company would require working capital for our smooth functioning. For further details, please refer the chapter titled “Our Business” on page 151 of this Draft Red Herring Prospectus.

Our business requires significant amount of working capital and we fund our working capital requirements in the ordinary course of business from internal accruals and financing from various banks and financial institutions. As on July 31, 2023 our Company is not having any working capital facility. For details, please refer to chapter titled ‘Financial Indebtedness’ on page 207. Accordingly, we propose to utilise the Net Proceeds in order to partially meet such working capital requirements. The deployment of net proceeds shall be over the course of Fiscal 2024 and Fiscal 2025, in accordance with the working capital requirements of our Company.

Existing Working Capital Requirement

The details of working capital requirement of our Company as at four months period ended July 31, 2023, year ended March 31, 2023, March 31, 2022 and March 31, 2021, and the source of funding, on the basis of audited standalone financial statements of our Company, as certified by M/s. Gupta Agarwal & Associates, Chartered Accountants through their certificate dated December 14, 2023, are provided in the table below:

(₹ in Million)

| Particulars | As at the four month period ended July 31, 2023 (Actual) | As at March 31, 2023 (Actual) | As at March 31, 2022 (Actual) | As at March 31, 2021 (Actual) |
|------------------------|--|-------------------------------|-------------------------------|-------------------------------|
| Current Assets | | | | |
| (a) Inventories | 236.92 | 215.14 | 62.15 | 78.13 |
| (b) Financial Assets | | | | |
| (i) Investments | 19.20 | 82.46 | - | - |
| (ii) Trade Receivables | 0.51 | 1.23 | 33.79 | - |
| (iii) Loans | 20.69 | 29.05 | 15.48 | 28.32 |

| Particulars | As at the four month period ended July 31, 2023 (Actual) | As at March 31, 2023 (Actual) | As at March 31, 2022 (Actual) | As at March 31, 2021 (Actual) |
|--|--|-------------------------------|-------------------------------|-------------------------------|
| (iv) Other Financial Assets | 62.32 | 9.13 | 10.23 | 5.39 |
| (c) Other Current Assets | 2.92 | 0.37 | 1.23 | - |
| Total Current Assets (A) | 342.56 | 337.38 | 122.88 | 111.84 |
| Current Liabilities | | | | |
| (a) Trade Payables | 0.50 | 0.50 | 0.02 | 0.00 |
| (b) Other Current Liabilities and Provisions | 21.94 | 39.08 | 21.48 | 16.57 |
| (c) Current Tax Liabilities (Net) | 77.90 | 94.48 | 15.91 | 0.14 |
| Total Current Liabilities (B) | 100.34 | 134.06 | 37.41 | 16.71 |
| Total Working capital Requirement (C=A-B) | 242.22 | 203.32 | 85.47 | 95.13 |
| Funding Pattern (D) | | | | |
| Working Capital Loans | - | - | - | - |
| Internal Accruals | 242.22 | 203.32 | 85.47 | 95.13 |

Estimated Working Capital Requirement

We propose to utilize ₹ 1,300.00 million of the Net Proceeds in Fiscals 2024 and Fiscal 2025, towards our Company's working capital requirements. The balance portion of working capital requirement of our Company shall be met through internal accruals. On the basis of our existing working capital requirements and the projected working capital requirements, our Board of Directors, pursuant to their resolution dated December 14, 2023, has approved the expected working capital requirements for Fiscals 2024 and Fiscal 2025 and the proposed funding of such working capital requirements are stated below:

(₹ in million)

| Particulars | As at March 31, 2024 (Projected) | As at March 31, 2025 (Projected) |
|---|----------------------------------|----------------------------------|
| Current Assets | | |
| (a) Inventories | 462.70 | 3,524.63 |
| (b) Financial Assets | | |
| (i) Investments | 200.00 | 250.00 |
| (ii) Trade Receivables | 14.20 | 35.18 |
| (iii) Loans | - | - |
| (iv) Other Financial Assets | 9.63 | 10.13 |
| (c) Other Current Assets | 5.00 | 5.00 |
| Total Current Assets (A) | 691.53 | 3,824.94 |
| Current Liabilities | | |
| (a) Trade Payables | - | |
| (b) Other Current Liabilities and Provisions | 40.00 | 100.89 |
| (c) Current Tax Liabilities (Net) | 18.75 | 54.10 |
| Total Current Liabilities (B) | 58.75 | 154.99 |
| Total Working Capital Requirement (C= A-B) | 632.78 | 3,669.95 |
| (Funding Pattern (D)) | | |
| Internal Accruals and Net Worth | 532.78 | 2,469.95 |
| Amount proposed to be utilized from Net Proceeds | 100.00 | 1200.00 |

*Net Worth of our Company as on July 31, 2023 is ₹ 739.31 million, as per the Audited Standalone Financial Statements

Pursuant to its certificate dated December 14, 2023, Statutory Auditors of our Company Gupta Agarwal & Associates, Chartered Accountants, has confirmed the working capital estimates and working capital projections.

Assumptions for Holding Levels

The following table sets forth the details of the holding period (with days rounded to the nearest) considered for our Company for the years/ periods mentioned below:

| <i>(in days)</i> | | | | | | |
|--------------------------------|----------------------------|----------------------|----------------------|----------------------|-------------------------|-------------------------|
| Particulars | Basis | Fiscal 2021 (Actual) | Fiscal 2022 (Actual) | Fiscal 2023 (Actual) | Fiscal 2024 (Projected) | Fiscal 2025 (Projected) |
| (A) Current Assets | | | | | | |
| Trade Receivables | Revenue from Operations | - | 31 | 0 | 4 | 3 |
| Inventory of Stock-in-trade | Cost of goods sold | 228 | 80 | 228 | 285 | 562 |
| (B) Current Liabilities | | | | | | |
| Trade Payables | Purchase of Stock-in-trade | 0 | 0 | 4 | - | - |

The above details of holding levels as well as projections has been certified by Statutory Auditor of our Company Gupta Agarwal & Associates, Chartered Accountants, through their certificate dated December 14, 2023.

Justification for “Holding Period” levels derived from our Audited Standalone Financial Statements

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

| Particulars | No of days |
|-----------------------------|---|
| Current Assets | |
| Trade receivable | For Fiscal 2023, our Trade receivables are at 0 days of Revenue from operation. We have assumed Trade receivables of 4 days and 3 days of Revenue from operation for fiscal 2024 and fiscal 2025. |
| Inventory of Stock-in-trade | For Fiscal 2023, our Stock-in-trade are at 228 days of Cost of goods sold. We believe that as we scale up our business, we would be required to maintain higher inventories, hence assumed 285 days and 562 days inventory for fiscal 2024 and fiscal 2025. |
| Current Liabilities | |
| Trade Payables | For Fiscal 2023, our Trade payables are at 4 days of Purchase of stock-in-trade, as we grow our operation and have better liquidity for our working capital purpose, we intend to maintain zero trade payable days of purchase for fiscal 2024 and fiscal 2025. |

As certified by Statutory Auditors of our Company Gupta Agarwal & Associates, Chartered Accountants, pursuant to their certificate dated December 14, 2023.

2. General Corporate Purposes

We propose to deploy the balance Net Proceeds, aggregating to ₹ [●] million, towards general corporate purposes subject to such utilisation not exceeding 35% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Further, the amount to be utilised for general corporate purposes alone shall not exceed 25% of the Net Proceeds. The Net Proceeds will first be utilized towards Objects as set out above.

General corporate purposes

Our Company intends to deploy the Net Proceeds, for general corporate purposes, subject to above mentioned limits, as may be approved by the Board of Directors of our Company or a duly constituted committee thereof, including but not restricted to, the following:

- a) brand building and strengthening of marketing activities;
- b) repayment and/ or prepayment of additional outstanding borrowings of our Subsidiary that may be availed in the future;
- c) meeting ongoing general corporate exigencies and contingencies;
- d) capital expenditure;
- e) general expenses of our Company;
- f) payment of commission and/or fees to any consultants;
- g) any other purpose as permitted under applicable laws

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

Offer Related Expenses

Other than (i) the listing fees, stamp duty payable on issue of Equity Shares pursuant to Fresh Issue and audit fees of statutory auditors (to the extent not attributable to the Offer), which shall be solely borne by our Company; and (ii) fees and expenses for legal counsel to the Promoter Selling Shareholder, if any, which shall be solely borne by the respective Promoter Selling Shareholder, all costs, fees and expenses with respect to the Offer (including all applicable taxes except securities transaction tax, which shall be solely borne by the respective Promoter Selling Shareholder), shall be shared by our Company and the Promoter Selling Shareholder, on a pro rata basis, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Promoter Selling Shareholder through the Offer for Sale. 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 Exchanges pursuant to the Offer, each Promoter Selling Shareholder 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 Promoter Selling Shareholder and each Promoter Selling Shareholder 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 Promoter Selling Shareholder in proportion to the Offered Shares, in accordance with Applicable Law.

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of the Offer include, amongst others, listing fees, selling commission, fees payable to the BRLM, 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 Exchanges.

The estimated Offer expenses are as under:

(₹ in million)

| Expenses* | Estimated expenses ⁽¹⁾ | As a % of the total estimated Offer expenses | As a % of the total Gross Offer Proceeds |
|---|-----------------------------------|--|--|
| Fees payable to Lead Manager (inclusive of underwriting commission) | [●] | [●] | [●] |
| Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage underwriting and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ | [●] | [●] | [●] |
| Fees payable to the Registrar to the Offer | [●] | [●] | [●] |
| Others including but not limited to: | [●] | [●] | [●] |

| | | | |
|---|-----|-----|-----|
| (i) Listing fees, SEBI filing fees, upload fees, BSE and SE processing fees, book building software fees and other regulatory expenses; | | | |
| (ii) Printing and distribution of stationery; | | | |
| (iii) Advertising and marketing expenses; | | | |
| (iv) Fees payable to legal counsel; | | | |
| (v) Fees payable to other advisors to the Offer, including but not limited to Statutory Auditors, Independent Chartered Accountant, industry service provider and Independent Chartered Engineer; and | | | |
| (vi) Miscellaneous | | | |
| Total estimated Offer expenses | [●] | [●] | [●] |

*Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus with the RoC.

Offer expenses are estimates and are subject to change.

⁽¹⁾ **Selling commission payable to the SCSBs** on the portion for Retail Individual Bidders, Holding Company Eligible Shareholders Reservation and Non-Institutional Bidders are directly procured by the SCSBs, would be as follows:

| | |
|---|---|
| Portion for Holding Company Eligible Shareholders Reservation | 0.30% of the Amount Allotted* (plus applicable taxes) |
| Portion for Retail Individual Bidders | 0.30% of the Amount Allotted* (plus applicable taxes) |
| Portion for Non-Institutional Bidders | 0.20% of the Amount Allotted* (plus applicable taxes) |

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

No uploading/processing fees shall be payable by our Company and the selling shareholders to the SCSBs on the Bid cum Applications Forms directly procured by them. The Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

⁽²⁾ **Processing fees payable to the SCSBs** on the portion for Retail Individual Bidder, Holding Company Eligible Shareholders Reservation and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

| | |
|---|--|
| Portion for RIB, Holding Company Eligible Shareholders Reservation, Non-Institutional Bidders | ₹ 10 per valid application (plus applicable taxes) |
|---|--|

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹ 0.5 million (plus applicable taxes) and in case if the total processing fees exceeds ₹ 0.5 million (plus applicable taxes) then processing fees will be paid on pro-rata basis. The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

⁽³⁾ The processing fees for applications made by Retail Individual Bidders, Holding Company Eligible Shareholders Reservation and Non Institutional Investors using the UPI Mechanism would be as follows:

| | |
|--|--|
| Members of the Syndicate / RTAs / CDPs (uploading charges) | ₹ 30 per valid application (plus applicable taxes) |
| Sponsor bank -Axis Bank Limited | ₹ Nil per valid Bid cum Application Form* (plus applicable taxes). The Sponsor bank shall be responsible for making payments to the third parties such as remitter company, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws. |

| | |
|---|---|
| <i>Sponsor bank –Kotak Bank Limited</i> | ₹ Nil per valid Bid cum Application Form* (plus applicable taxes). The Sponsor bank shall be responsible for making payments to the third parties such as remitter company, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws |
|---|---|

*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees for applications made by RIBs (up to ₹ 200,000), Non-Institutional Bidders (for an amount more than ₹ 200,000 and up to ₹ 500,000) using the UPI Mechanism and Holding Company Eligible Shareholders Reservation (s) using the UPI Mechanism would not exceed ₹2.0 million (plus applicable taxes) and in case if the total uploading charges/ processing fees exceeds ₹ 2.0 million (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis (plus applicable taxes).

(4) Selling Commission on portion for Retail Individual Bidders and portion of Holding Company Eligible Shareholders (up to ₹ 2,00,000) and Non-Institutional Bidders which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs, CRTAs and CDPs or for using 3- in-1 type accounts - linked online trading, demat and bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

| | |
|--|--|
| <i>Portion for Holding Company Eligible Shareholders Reservation</i> | <i>0.30% of the Amount Allotted* (plus applicable taxes)</i> |
| <i>Portion for Retail Individual Bidders</i> | <i>0.30% of the Amount Allotted* (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders</i> | <i>0.20% of the Amount Allotted* (plus applicable taxes)</i> |

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: ₹10/- plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs

Bidding charges payable to the members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs/CDPs on the portion for RIBs, Holding Company Eligible Shareholder and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing/ blocking, would be as follows:

| | |
|--|---|
| <i>Portion for Retail Individual Bidders*</i> | <i>₹ 10/- per valid application (plus applicable taxes)</i> |
| <i>Portion for Holding Company Eligible Shareholders Reservation Portion *</i> | <i>₹ 10/- per valid application (plus applicable taxes)</i> |
| <i>Portion for Non-Institutional Bidders*</i> | <i>₹ 10/- per valid application (plus applicable taxes)</i> |

* Based on valid applications

Notwithstanding anything contained above the total uploading charges/Bidding charges payable under this clause will not exceed Rs. 2.0 million (plus applicable taxes) and in case if the total uploading charges exceeds Rs 2.0 million (plus applicable taxes) then uploading charge/bidding charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The selling commission and bidding charges payable to Registered Brokers, the RTAs, CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE

We hereby undertake to ensure that the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

Bridge Financing

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Interim Use of Net Proceeds

Pending utilization of the Offer Proceeds for the Objects of the Offer described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Offer as described above, it shall not use the funds from the Offer Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed ICRA Limited as the Monitoring Agency for monitoring the utilisation of net proceeds, prior to the filing of the Draft Red Herring Prospectus, as our size of the Offer (excluding the Offer for Sale by the Promoter Selling Shareholder) exceeds ₹ 1,000.00 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised if any, of such currently unutilised Net Proceeds. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds. Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our directors report, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Offer without being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Appraising agency

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

Other Confirmations

The Net Proceeds from the Fresh Issue, as utilized for repayment and/ or prepayment of borrowings/loans, will not be directly/ indirectly routed to our Promoter, members of Promoter Group, person in control of our Company, our Directors, our Group Company and our associates, if any. There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel.

BASIS FOR OFFER PRICE

The Price Band and the Issue Price will be determined by our Company, in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the chapters “Risk Factors”, “Our Business”, “Restated Consolidated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 35, 151, 203 and 208 respectively of this Draft Red Herring Prospectus, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

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

- Integrated mix of business
- Low Debt and Low Fixed Overheads
- Market Presence of our Corporate Promoter
- Robust financial performance

For further details, refer to heading “Our Strengths” under the chapter titled “Our Business” beginning on page 151 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Statements. For details, see “Restated Consolidated Financial Statements” beginning on page 203 of this Draft Red Herring Prospectus.

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

1. Basic and Diluted Earnings per Share (EPS) at face value of ₹ 10 each:

| Year ended | Basic and diluted EPS (₹)* | Weight |
|--------------------------------|----------------------------|--------|
| March 31, 2023 | 9.45 | 3 |
| March 31, 2022 | 1.73 | 2 |
| March 31, 2021 | 0.05 | 1 |
| Weighted average | 5.31 | |
| July 31, 2023 (Non Annualised) | 1.24 | |

*EPS has been adjusted for historical periods giving effect of the bonus issue.

Note:-

1. Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard (Ind AS) 33 ‘Earnings per Share’ prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with the requirement of SEBI ICDR Regulations.

2. The ratios have been computed as below:

$$\text{Basic Earnings per share (₹.)} = \frac{\text{Restated profit after tax for the year}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Diluted Earnings per share (₹.)} = \frac{\text{Restated profit after tax for the year}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$$

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

3. The company issued 4,12,31,500 equity shares of Rs. 10/- each as bonus shares in the ratio of 5:1 (i.e. 5 (Five) fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) vide EGM resolution passed on 11th July, 2023 and allotted on 13th July, 2023.

2. Price to Earnings (P/E) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity:

| Particulars | P/E Ratio at the lower end of Price Band (no. of times) | PE Ratio at the higher end of Price Band (no. of times) |
|--------------------------------------|---|---|
| Based on basic EPS for Fiscal 2023 | [●] | [●] |
| Based on diluted EPS for Fiscal 2023 | [●] | [●] |

Industry Peer Group P/E ratio

| Particulars | Industry P/E |
|-------------|--------------|
| Highest | 45.16 |
| Lowest | 19.99 |
| Average | 27.70 |

Note: The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this chapter. For further details, see “– Comparison of Accounting Ratios with listed industry peers” hereunder.

3. Return on Net worth (RoNW)

| Year ended | RoNW (%) | Weight |
|---------------------------------------|--------------|--------|
| March 31, 2023 | 70.15 | 3 |
| March 31, 2022 | 26.71 | 2 |
| March 31, 2021 | 1.61 | 1 |
| Weighted average | 44.24 | |
| July 31, 2023 (Non-Annualized) | 8.27 | |

Note:

1. $RoNW(\%) = \frac{\text{Restated profit after tax for the year}}{\text{Restated Networkth as at the end of the year}}$
2. Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as attributable to the owners of the company as on March 31, 2023, 2022 and 2021. Net worth represents equity attributable to owners of the holding company and does not include amounts attributable to non-controlling interests.

4. Net Asset Value (NAV) per Equity Share (Face value of ₹ 10 each)

| Particulars | NAV per share (₹) |
|---|-------------------|
| As on March 31, 2023 | 13.47 |
| Net Asset Value per Equity Share after the Issue at Floor Price | [●] |
| Net Asset Value per Equity Share after the Issue at Cap Price | [●] |

Note:

1. $NAV \text{ per share} = \frac{\text{Restated Networkth at the end of the year}}{\text{Total number of equity shares outstanding}}$
2. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, and credit balance of the non-controlling interest after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation;

5. Comparison of Accounting Ratios with listed Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

(₹ in million except per share data or unless otherwise stated)

| Name of the Company | CMP* | EPS (Basic) | EPS (Diluted) | PAT Margin % | RONW (%) | P/E Ratio | NAV (per share) | Face Value (per share) | Total Income (In million) |
|--|----------|-------------|---------------|--------------|----------|-----------|-----------------|------------------------|---------------------------|
| <i>Gretex Share Broking Limited</i> | [●] | 9.45 | 9.45 | 43.91 | 70.15 | [●] | 13.47 | 10.00 | 1,064.64 |
| Peer-Group | | | | | | | | | |
| <i>Aryaman Financial Services</i> | 198.70 | 4.40 | 4.40 | 9.23 | 6.13 | 45.16 | 71.81 | 10.00 | 556.98 |
| <i>Inventure Growth and Securities Ltd</i> | 2.68 | 0.11 | 0.11 | 18.17 | 4.44 | 24.36 | 2.49 | 1.00 | 509.90 |
| <i>Alacrity Securities Ltd</i> | 32.59 | 1.53 | 1.53 | 1.55 | 13.14 | 21.30 | 11.67 | 10.00 | 2,078.79 |
| <i>Share India Securities Ltd.</i> | 1,777.00 | 102.27 | 88.88 | 30.07 | 32.46 | 19.99 | 311.75 | 10.00 | 10,997.02 |

*Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the filings made with stock exchanges, available on www.bseindia.com and www.nseindia.com for the Financial Year ending March 31, 2023.

Source for Gretex Share Broking Limited: Based on the Restated Consolidated Financial Statements for the year ended March 31, 2023. P/E Ratio shall be computed at the Issue Price.

Notes:

1. Considering the nature and size of the business of the Company, the peers are not strictly comparable. However, above mentioned Companies have been included for broad comparison.
2. Current Market Price (CMP) is the closing prices of respective scrips as on December 11, 2023.
3. P/E Ratio has been computed based on the closing market price of equity shares on December 11, 2023, divided by the diluted EPS.
4. RoNW is computed as net profit after tax attributable to equity shareholders divided by Net Worth as at March 31, 2023.
5. NAV is computed as the closing Net Worth divided by the closing outstanding number of equity shares.
6. The company issued 4,12,31,500 equity shares of Rs. 10/- each as bonus shares in the ratio of 5:1 (i.e. 5 (Five) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity share of the Company) vide EGM resolution passed on 11th July, 2023 and allotted on 13th July, 2023. This is considered for calculating EPS.
7. The Issue Price will be [●] times of the face value of the Equity Shares.
8. The Issue Price of ₹ [●] will be determined by our Company, in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Restated Consolidated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 35, 151, 203 and 208 respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” beginning on page 35 and you may lose all or part of your investment.

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 Issue Price. The key financial and operational metrics set forth below, have been approved and verified by the Audit Committee pursuant to meeting dated December 7, 2023.

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 Issue Price which have been disclosed below. Additionally, the KPIs have been certified vide certificate dated December 14, 2023 issued by Gupta Agarwal & Associates Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The certificate, has been included in 'Material Contracts and Documents for Inspection – Material Documents' on page 179.

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 Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 is set out below:

Explanation for the Key Performance Indicators

(₹ in million, except percentages)

| Particulars | For the period ended July 31, 2023 | For Financial Year ended March 31, | | |
|-------------------------------|------------------------------------|------------------------------------|--------|--------|
| | | 2023 | 2022 | 2021 |
| Revenue from Operations | 209.20 | 1,026.17 | 396.58 | 135.63 |
| EBITDA ⁽¹⁾ | 80.94 | 587.39 | 89.53 | 7.80 |
| EBITDA Margin ⁽²⁾ | 38.69% | 57.24% | 22.58% | 5.75% |
| Profit After Tax for the Year | 61.15 | 467.45 | 85.54 | 2.57 |
| PAT Margin ⁽³⁾ | 28.31% | 43.91% | 20.73% | 1.93% |
| ROE ⁽⁴⁾ | 8.27% | 70.15% | 26.71% | 1.61% |
| ROCE ⁽⁵⁾ | 10.68% | 87.07% | 27.81% | 4.76% |
| Debt / Equity ⁽⁶⁾ | - | 0.01 | 0.00 | 0.03 |

As certified by Gupta Agarwal & Associates., Chartered Accountants through their certificate dated December 14, 2023.

Notes:

- (1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income.
- (2) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations.
- (3) PAT Margin is calculated as restated profit after tax for the year as a percentage of total income.
- (4) ROE is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year divided by total equity (total equity excludes non-controlling interest).
- (5) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity-Revaluation Reserve-Capital Redemption Reserve + Total Debts Current & Non-current (Including Government Grants)).
- (6) Debt consists of total borrowings including short term and long-term borrowings and equity excludes non-controlling interest.

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 151 and 208, respectively. All such KPIs have been defined consistently and precisely in 'Definitions and Abbreviations – Conventional and General Terms and Abbreviations' on page 1.

Subject to applicable laws, the Company confirms that it shall continue to disclose all the key performance indicators included in this "Basis for Issue 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 86.

7. Comparison of Key Performance Indicators with Listed Industry Companies:

A comparison of accounting ratios with the listed companies has been provided below:

| Key Performance Indicators (FY 2023) | Gretex Share Broking Limited | Aryaman Financial Services | Inventure Growth and Securities Ltd | Alacrity Securities Ltd | Share India Securities Ltd. |
|--|------------------------------|----------------------------|-------------------------------------|-------------------------|-----------------------------|
| Revenue from Operations | 1,026.17 | 535.27 | 488.14 | 2,072.07 | 10,882.34 |
| EBITDA ⁽¹⁾ | 587.39 | 74.47 | 130.67 | 49.16 | 4,926.38 |
| EBITDA Margin ⁽²⁾ | 57.24% | 13.91% | 26.77% | 2.37% | 45.27% |
| Profit After Tax for the Year / Period | 467.45 | 51.41 | 92.63 | 32.32 | 3,306.57 |
| PAT Margin ⁽³⁾ | 43.91% | 9.23% | 18.17% | 1.55% | 30.07% |
| ROE ⁽⁴⁾ | 70.15% | 6.13% | 4.44% | 13.14% | 12.46% |
| ROCE ⁽⁵⁾ | 87.07% | 5.84% | 5.17% | 14.77% | 13.46% |
| Debt / Equity ⁽⁶⁾ | 0.01 | 0.49 | 0.13 | 0.31 | 0.43 |

Notes:

- (1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income.
- (2) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations.
- (3) PAT Margin is calculated as restated profit after tax for the year as a percentage of total income.
- (4) ROE is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year divided by total equity (total equity excludes non-controlling interest).
- (5) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity-Revaluation Reserve-Capital Redemption Reserve + Total Debts Current & Non-current (Including Government Grants)).
- (6) Debt consists of total borrowings including short term and long-term borrowings and equity excludes non-controlling interest.

8. 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 and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus 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-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 day

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, 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 Red Herring Prospectus Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days except.

| Date of Transfer | Name of the Transferor | Name of the Transferee | Nature of Consideration | Nature of transaction | Transaction as a % of the fully diluted paid up capital of the company | Transfer price per Equity Share (Amount in ₹) | Number of Equity Shares of face value ₹10/- each | Consideration (Amount in ₹) |
|--|----------------------------------|-----------------------------------|-------------------------|-----------------------|--|---|--|-----------------------------|
| 10-12-2022 | Apsara Selection Private Limited | Gretex Corporate Services Limited | Cash | Transfer | 1.17% | 51.00 | 5,80,000 | 2,95,80,000 |
| 10-12-2022 | Apsara Selection Private Limited | Ambition Tie up Pvt. Ltd. | Cash | Transfer | 0.80% | 51.00 | 3,95,000 | 2,01,45,000 |
| 10-12-2022 | Sunview Nirman Private Limited | Talent Investment Co. Pvt. Ltd | Cash | Transfer | 0.19% | 51.00 | 93,500 | 47,68,500 |
| 10-12-2022 | Sunview Nirman Private Limited | Bonanza Agency LLP | Cash | Transfer | 0.51% | 51.00 | 2,50,000 | 127,50,000 |
| 12-09-2023 | Bonanza Agency LLP | Gretex Corporate Services Limited | Cash | Transfer | 14.56% | 16.83* | 72,01,860 | 12,12,07,304 |
| 12-09-2023 | Sankhu Merchandise Pvt. Ltd. | Gretex Corporate Services Limited | Cash | Transfer | 19.00% | 16.83* | 94,00,200 | 15,82,05,366 |
| Total | | | | | | | 17920560 | 346656170 |
| Weighted average cost of acquisition per equity share | | | | | | | | 19.34 |

*Post Bonus Issue transaction price

C. Price per share based on the last five primary or secondary transactions

Since there are eligible transactions of our company reported under (A) and (B), therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/Promoter Group entities or Promoter Selling Shareholder 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 Red Herring Prospectus irrespective of the size of transactions has not been computed.

9. The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition based on Primary Issuances/ Secondary Transactions as disclosed in point 8 above, are set below:

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Shares) | Floor Price* | Cap Price* |
|---|--|--------------|------------|
| Weighted average cost of acquisition (WACA) of Primary Issuances. | NA | [●] | [●] |
| Weighted average cost of acquisition (WACA) of Secondary Transaction. | 19.34 | [●] | [●] |

#There were no primary transactions of Equity Shares of the Company during the 3 years preceding the date of filing of this Draft Red Herring Prospectus except by way of issue of bonus and transfer of gift hence cost of acquisition is nil.

The above details related to WACA have been certified by Gupta Agarwal & Associates Chartered Accountants by their certificate dated December 14, 2023.

**To be updated at Prospectus stage.*

- 10. Detailed explanation for Issue Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in point ‘h’ above) along with our Company’s key financial and operational metrics and financial ratios for the Fiscal 2023, 2022 and 2021.**

[●]*

**To be included upon finalisation of the Price band.*

- 11. Explanation for Issue Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in point ‘h’ above) in view of the external factors which may have influenced the pricing of the Issue.**

[●]*

**To be included upon finalisation of the Price band.*

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of the market demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, is of justified view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with ‘*Risk Factors*’, ‘*Our Business*’, ‘*Management Discussion and Analysis of Financial Condition and Revenue from Operations*’ and ‘*Financial Information*’ beginning on pages 35, 151, 208 and 203 respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the chapter titled ‘*Risk Factors*’ beginning on page 35 and any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

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

To,
The Board of Directors,
Gretex Share Broking Limited
A-401, Floor 4th, Plot FP-616, (PT),
Naman Midtown, Senapati Bapat Marg,
Near Indiabulls Dadar (West),
Delisle Road,
Mumbai 400013, Maharashtra, India

Dear Sirs,

Re: Proposed initial public offering of equity shares of face value of Rs. 10/- each (the “Equity Shares”) of Gretex Share Broking Limited (the “Company”) and Offer for Sale by the Selling Shareholders (the “Offer”).

Sub.: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws.

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2023 i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

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

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

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

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

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company. We shall not be liable to the Company for any claims, liabilities or expenses arising from facts and disclosure in statement of tax benefits determined to have resulted primarily from bad faith or intentional misrepresentation. We will not be liable to any other person in respect of this Statement.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus (“DRHP”), Updated Draft Red Herring Prospectus (“UDRHP”), the Red Herring Prospectus (“RHP”) and the Prospectus and submission of this certificate as may be necessary, to the Securities and Exchange Board of India (“SEBI”), the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”) (collectively referred as “Stock Exchanges”) where the Equity Shares are proposed to be listed and the Registrar of Companies, Mumbai at Maharashtra (“RoC”) or any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law. This certificate may be relied upon by the Book Running Lead Manager and the legal counsel in relation to the Issue.

For Gupta Agarwal & Associates
Chartered Accountants
Firm’s Registration No: 329001E

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 23059535DGSXER5217
Place: Kolkata
Date: December 11, 2023

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

UNDER THE DIRECT TAX LAWS (THE INCOME TAX ACT, 1961)

1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

1. Gretex Share Broking Limited (“the Company”) is an Indian Company, subject to tax in India. The Company is taxed on its profits. Profits are computed after allowing all reasonable business expenditure, laid out wholly and exclusively for the purposes of the business, including depreciation. Considering the activities and the business of the Company, the following special tax benefits may be available to them.

a) **Lower corporate tax rate under Section 115BAA of the Act and MAT credit under Section 115JAA of the Act:**

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (the “Amendment.

Act, 2019”) w.e.f. FY 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/incentives.

The option under Section 115BAA of the Act once exercised cannot be subsequently withdrawn for the same or any future financial year.

The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax (“MAT”) under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

2. SPECIAL TAX BENEFITS AVAILABLE TO SHAREHOLDERS

The Shareholders of the Issuer Company (Gretex Share Broking Limited) are not entitled to any special tax benefits under the Direct and Indirect Tax Laws, as presently applicable.

Note:

1. 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. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.
2. 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.

For Gupta Agarwal & Associates
Chartered Accountants
Firm’s Registration No: 329001E

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 23059535BGSXER5217
Place: Kolkata
Date: December 11, 2023

SECTION V: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from “**Industry Report on Capital Markets & Stock Broking**” dated December 2023 which was commissioned by and paid for by our Company (the “**CareEdge Report**”). CARE Analytics and Advisory Private Limited was appointed by our Company pursuant to an engagement letter dated September 07, 2023 for the purpose of preparation of the CareEdge Report. We commissioned and paid for the CareEdge Report for the purposes of confirming our understanding of the industry specifically for the purpose of the Offer for an agreed fee. The data included herein includes excerpts from the CareEdge Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer) that has been left out or changed in any manner. A copy of the CareEdge Report shall be available on the website of our Company at www.gretexbroking.com.*

CARE Advisory has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics, and research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

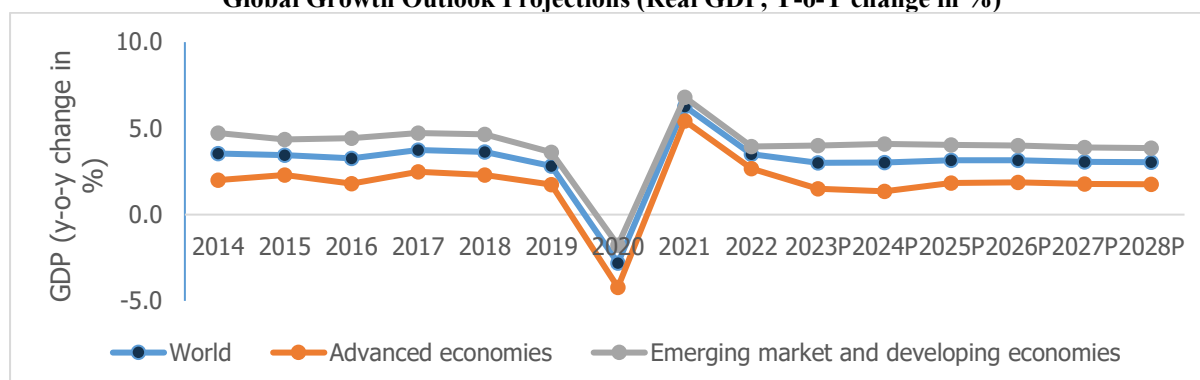
Unless otherwise indicated, financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information.

The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For further details, see “Certain Conventions, Presentation of Financial, Industry and Market Data — Industry and Market Data” on page 179 Also see “Risk Factors — Certain sections of this Draft Red Herring Prospectus disclose information from the CareEdge Report commissioned and paid for by the Company in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.” on page 43.

GLOBAL ECONOMY

As per the International Monetary Fund (IMF)’s World Economic Outlook growth projections released in July 2023, the global economic growth for CY221 stood at 3.5% on a year-on-year (y-o-y) basis, down from 6.3% in CY21 due to disruptions resulting from the Russia-Ukraine conflict and higher-than-expected inflation worldwide. On the other hand, the global economic growth for CY23 is projected to slow down further to 3.0%, attributed to compressing global financial conditions, expectant steeper interest rate hikes by major central banks to fight inflation, and spill-over effects from the Russia-Ukraine conflict, with gas supplies from Russia to Europe expected to remain tightened. Whereas growth in CY24 is projected to remain broadly stable at 3.0%, with notable shifts across regions. For the next 5 years, the IMF projects world economic growth in the range of 3.0%-3.2% on a y-o-y basis.

Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: E- Estimated, P-Projection

Source: IMF – World Economic Outlook, July 2023 and April 2023

Advanced Economies Group

The major advanced economies registered GDP growth of 2.7% in CY22, down from 5.4% in CY21, which is further projected to decline to 1.5% in CY23. This forecast of low growth reflects increased central bank interest rates to fight inflation and the impact of the Russia-Ukraine war. About 93% of advanced economies are projected to witness declined GDP growth in CY23. In addition, this is further expected to decline to 1.4% in CY24.

One of the major countries from this group is the United States. The United States registered GDP growth of 2.1% in CY22 compared to 5.9% in CY21. Whereas, growth for CY23 and CY24 is projected at 1.8% and 1.0%, respectively. This is reflective of declining real disposable incomes and savings impacting consumer demand with higher interest rates taking a toll on spending.

Further, the Euro Area registered GDP growth of 3.5% in CY22 compared to 5.3% in CY21. However, the boost from the reopening of the economy after the pandemic appears to be fading. For CY23 and CY24, the growth is projected at 0.9% and 1.5%, respectively. The accelerated pace of rate increases by the Bank of England and the European Central Bank has tightened the financial conditions, resulting in the cooling of demands in the housing sector and beyond.

Emerging Market and Developing Economies Group

For the emerging market and developing economies group, GDP growth stood at 4.0% in CY22, compared to 6.8% in CY21. This growth is further projected at 4.0% in CY23 and 4.1% in CY24. The anticipated improvement in GDP growth in CY24 is attributed to the anticipation of gradual recovery. Whereas about 61% of economies, expected to progress rapidly in CY23, project stable growth. While the remaining economies, including the low-income countries, are expected to progress slower.

Further, in China, growth is expected to pick up to 5.2% with the full reopening in CY23 and subsequently moderate in CY24 to 4.5%. Whereas, India's GDP projections for CY23 and CY24 stand at 6.1% and 6.3%, respectively, with resilient domestic demands despite external headwinds.

GDP growth trend comparison - India v/s Other Emerging and Developing Economies (Real GDP, Y-o-Y change in %)

| | Real GDP (Y-o-Y change in %) | | | | | | | | | | |
|--------------|------------------------------|------|------|------|------|-------|-------|-------|-------|-------|-------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023E | 2024P | 2025P | 2026P | 2027P | 2028P |
| India | 6.5 | 3.9 | -5.8 | 9.1 | 7.2 | 6.1 | 6.3 | 6.2 | 6.1 | 6.0 | 6.0 |
| China | 6.8 | 6.0 | 2.2 | 8.4 | 3.0 | 5.2 | 4.5 | 4.1 | 4.0 | 3.6 | 3.4 |
| Indonesia | 5.2 | 5.0 | -2.1 | 3.7 | 5.3 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Saudi Arabia | 2.8 | 0.8 | -4.3 | 3.9 | 8.7 | 1.9 | 2.8 | 3.0 | 3.0 | 3.0 | 3.0 |

| | | | | | | | | | | | |
|--------|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Brazil | 1.8 | 1.2 | -3.3 | 5.0 | 2.9 | 2.1 | 1.2 | 1.9 | 2.0 | 2.0 | 2.0 |
|--------|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|

E- Estimated, P- Projections; Source: IMF, World Economic Outlook Database (July 2023 and April 2023)

The Indonesian economy is expected to register growth of 5% both in CY23 and CY24 with a strong recovery in domestic demands, a healthy export performance, policy measures, and normalization in commodity prices. In CY22, Saudi Arabia was the fastest-growing economy in this peer set with 8.7% growth. The growth is accredited to robust oil production, non-oil private investments encompassing wholesale and retail trade, construction and transport, and surging private consumption. Saudi Arabia is expected to grow at 1.9% and 2.8% in CY23 and CY24, respectively. On the other hand, Brazil is expected to project a moderate economic growth of 2.1% in CY23 due to headwinds of inflation. However, recovery is expected in the medium term with a sound financial system, large cash buffers with the public sector, and adequate international reserves.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the GDP has been estimated to be at USD 3.4 trillion for CY22 and is projected to reach USD 5.2 trillion by CY27. India's expected GDP growth rate for coming years is almost double compared to the world economy.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6% in the period of CY24-CY28, outshining China's growth rate. Accordingly, the Indian economy is paving its way towards becoming the largest economy globally. Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7% share in the global economy, with China [~18%] on the top followed by the United States [~15%].

Purchasing Power Parity is an economic performance indicator denoting the relative price of an average basket of goods and services that a household needs for livelihood in each country. Despite COVID-19's impact, high inflationary and interest rates globally, and the geo-political tensions in Europe, India has been a major contributor to world economic growth.

INDIAN ECONOMIC OUTLOOK

GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India's GDP grew by 9.1% in FY22 and stood at Rs. 149.3 trillion despite the pandemic and geopolitical Russia-Ukraine spill overs. In Q1FY23, India recorded 13.2% y-o-y growth in GDP, largely attributed to improved performance by the agriculture and services sectors. Following this double-digit growth, Q2FY23 witnessed 6.3% y-o-y growth, while Q3FY23 registered 4.5% y-o-y growth. The slowdown during Q2FY23 and Q3FY23 compared to Q1FY23 can be attributed to the normalization of the base and a contraction in the manufacturing sector's output.

Subsequently, Q4FY23 registered broad-based improvement across sectors compared to Q3FY23 with a growth of 6.1% y-o-y. The investments, as announced in the Union Budget 2022-23 on boosting public infrastructure through enhanced capital expenditure, have augmented growth and encouraged private investment through large multiplier effects in FY23. Supported by fixed investment and higher net exports, GDP for full-year FY23 was valued at Rs. 160.1 trillion registering an increase of 7.2% y-o-y.

Furthermore, in Q1FY24, the economic growth accelerated to 7.8%. The manufacturing sector maintained an encouraging pace of growth, given the favorable demand conditions and lower input prices. The growth was supplemented by a supportive base alongside robust services and construction activities.

GDP Growth Outlook

- During FY24, strong agricultural and allied activity prospects are likely to boost rural demands. However, El Nino is being predicted in the current fiscal which may lead to deficit rainfall in the country and impact agricultural output. However, a rebound in contact-intensive sectors and discretionary spending is expected to support urban consumption.
- Strong credit growth, resilient financial markets, and the government's continual push for capital spending and infrastructure are likely to create a compatible environment for investments.

- External demand is likely to remain subdued with a slowdown in global activities, thereby indicating adverse implications for exports. Additionally, heightened inflationary pressures and resultant policy tightening may pose a risk to the growth potential.

Taking all these factors into consideration, in August 2023, the RBI in its bi-monthly monetary policy meeting estimated a real GDP growth of 6.5% y-o-y for FY24.

RBI's GDP Growth Outlook (Y-o-Y %)

| FY24 (complete year) | Q1FY24 | Q2FY24 | Q3FY24 | Q4FY24 | Q1FY25 |
|----------------------|--------|--------|--------|--------|--------|
| 6.5 | 8.0 | 6.5 | 6.0 | 5.7 | 6.6% |

Source: Reserve Bank of India

Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

- The gap between GDP and GVA growth turned positive in FY22 (after a gap of two years) due to robust tax collections. Of the three major sector heads, the service sector has been the fastest-growing sector in the last 5 years.
- The agriculture sector was holding growth momentum till FY18. In FY19, the acreage for the rabi crop was marginally lower than the previous year which affected the agricultural performance. Whereas FY20 witnessed growth on account of improved production. During the pandemic-impacted period of FY21, the agriculture sector was largely insulated as timely and proactive exemptions from COVID-induced lockdowns to the sector facilitated uninterrupted harvesting of rabi crops and sowing of kharif crops. However, supply chain disruptions impacted the flow of agricultural goods leading to high food inflation and adverse initial impact on some major agricultural exports. However, performance remained steady in FY22.

Further, in Q1FY23 and Q2FY23, the agriculture sector recorded a growth of 2.4% and 2.5%, respectively, on a y-o-y basis. Due to uneven rains in the financial year, the production of some major Kharif crops, such as rice and pulses, was adversely impacted thereby impacting the agriculture sector's output. In Q3FY23 and Q4FY23, the sector recorded a growth of 4.7% and 5.5%, respectively, on a y-o-y basis.

Overall, the agriculture sector performed well despite weather-related disruptions, such as uneven monsoon and unseasonal rainfall, impacting yields of some major crops and clocked a growth of 4% y-o-y in FY23, garnering Rs. 22.3 trillion. In Q1FY24, this sector expanded at a slower pace of 3.1% compared to a quarter ago. Going forward, rising bank credit to the sector and increased exports will be the drivers for the agriculture sector. However, a deficient rainfall may impact the reservoir level weighing on prospects of rabi sowing. A downside risk exists in case the intensity of El Nino is significantly strong.

The industrial sector projected a CAGR of 4.7% for the period FY16 to FY19. From March 2020 onwards, the nationwide lockdown due to the pandemic significantly impacted industrial activities. In FY20 and FY21, this sector felt turbulence due to the pandemic and recorded a decline of 1.4% and 0.9%, respectively, on a y-o-y basis. With the opening up of the economy and resumption of industrial activities, it registered 11.6% y-o-y growth in FY22, albeit on a lower base.

The industrial output in Q1FY23 jumped 9.4% on a y-o-y basis. However, in the subsequent quarter, the sector witnessed a sharp contraction of 0.5% due to lower output across the mining, manufacturing, and construction sectors. This was mainly because of the poor performance of the manufacturing sector, which was marred by high input costs. In Q3FY23, the sector grew modestly by 2.3% y-o-y. The growth picked up in Q4FY23 to 6.3% y-o-y owing to a rebound in manufacturing activities and healthy growth in the construction sector. Overall, the industrial sector is estimated to be valued at Rs. 45.2 trillion registering 4.4% growth in FY23.

Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

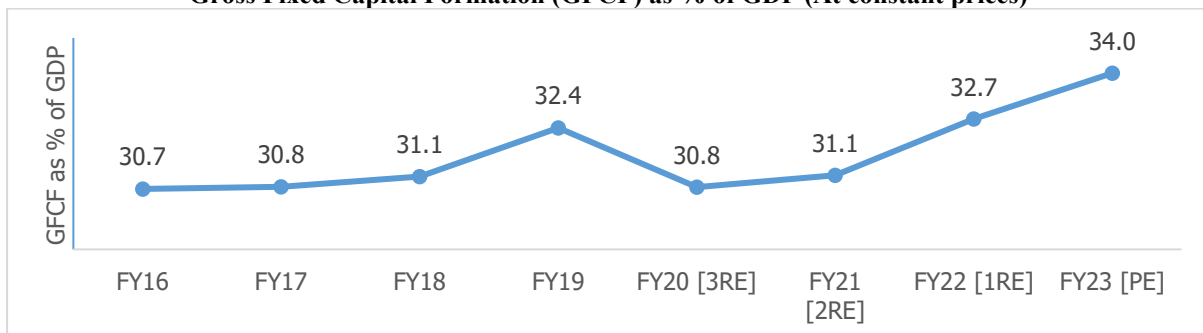
| At constant Prices | FY18 | FY19 | FY20 (3RE) | FY21 (2RE) | FY22 (1RE) | FY23 (PE) | Q1FY24 |
|---|------------|------------|---------------|---------------|---------------|--------------|-------------|
| Agriculture, Forestry & Fishing | 6.6 | 2.1 | 6.2 | 4.1 | 3.5 | 4 | 3.5 |
| Industry | 5.9 | 5.3 | -1.4 | -0.9 | 11.6 | 4.4 | 5.5 |
| Mining & Quarrying | -5.6 | -0.8 | -3 | -8.6 | 7.1 | 4.6 | 5.8 |
| Manufacturing | 7.5 | 5.4 | -3 | 2.9 | 11.1 | 1.3 | 4.7 |
| Electricity, Gas, Water Supply & Other Utility Services | 10.6 | 7.9 | 2.3 | -4.3 | 9.9 | 9 | 2.9 |
| Construction | 5.2 | 6.5 | 1.6 | -5.7 | 14.8 | 10 | 7.9 |
| Services | 6.3 | 7.2 | 6.4 | -8.2 | 8.8 | 9.5 | 10.3 |
| Trade, Hotels, Transport, Communication & Broadcasting | 10.3 | 7.2 | 6 | -19.7 | 13.8 | 14 | 9.2 |
| Financial, Real Estate & Professional Services | 1.8 | 7 | 6.8 | 2.1 | 4.7 | 7.1 | 12.2 |
| Public Administration, Defence and Other Services | 8.3 | 7.5 | 6.6 | -7.6 | 9.7 | 7.2 | 7.9 |
| GVA at Basic Price | 6.2 | 5.8 | 3.9 | -4.2 | 8.8 | 7 | 7.8 |

3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate; Source: MOSPI

Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF), which is a measure of the net increase in physical assets, witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 32.7%, which is the second-highest level in 7 years (since FY15). In FY23, the ratio of investment (GFCE) to GDP climbed up to its highest in the last decade at 34%, as per the advanced estimate released by the Ministry of Statistics and Programme Implementation (MOSPI).

Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices)



PE: Provisional Estimates, RE: Revised Estimate; Source: MOSPI

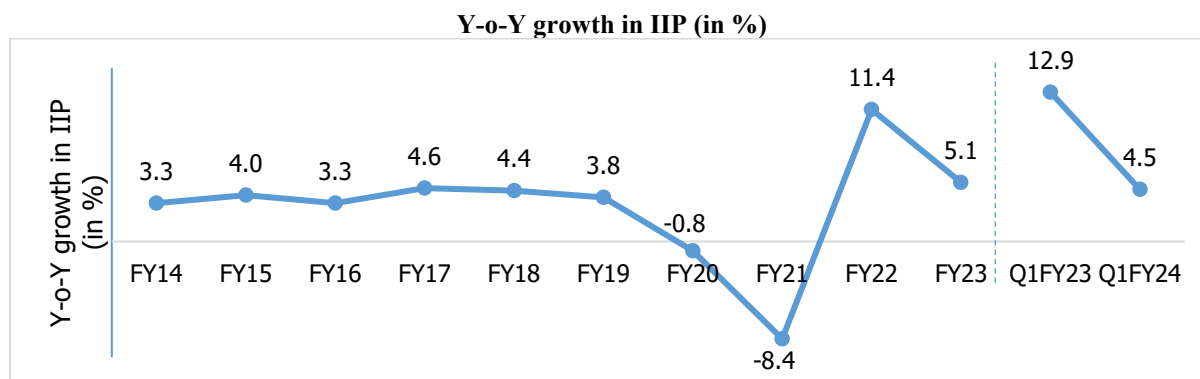
Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as Atmanirbhar Bharat, Make in India, and Production-linked Incentive (PLI) scheme announced across various sectors.

Industrial Growth

Improved Core and Capital Goods Sectors helped IIP Growth Momentum

The Index of Industrial Production (IIP) is an index to track manufacturing activity in an economy. On a cumulative basis, IIP grew by 11.4% y-o-y in FY22 post declining by 0.8% y-o-y and 8.4% y-o-y, respectively, in FY20 and FY21. This high growth was mainly backed by a low base of FY21. FY22 IIP was higher by 2.0% when compared with the pre-pandemic level of FY20, indicating that while economic recovery was underway, it was still at very nascent stages.

During FY23, the industrial output recorded a growth of 5.1% y-o-y supported by a favourable base and a rebound in economic activities. During April 2023 and May 2023, IIP grew by 4.2% y-o-y and 5.3% y-o-y growth, respectively. This growth in April and May 2023 was aided by encouraging performance of the mining and manufacturing sectors. However, in June 2023, the industrial output slowed to 3.7% mainly due to moderation in the manufacturing sector's output. Overall, the industrial output grew by 4.5% in Q1FY24.



Source: MOSPI

Accordingly, it will be critical to maintain the current growth momentum in the industrial sector. In the environment of global slowdown, maintaining growth in industrial output will depend on the resilience and momentum of domestic demand. Investment demands are also expected to pick up to support segments like capital goods and infrastructure. However, challenges from an uncertain global economic scenario and weak external demand are likely to persist.

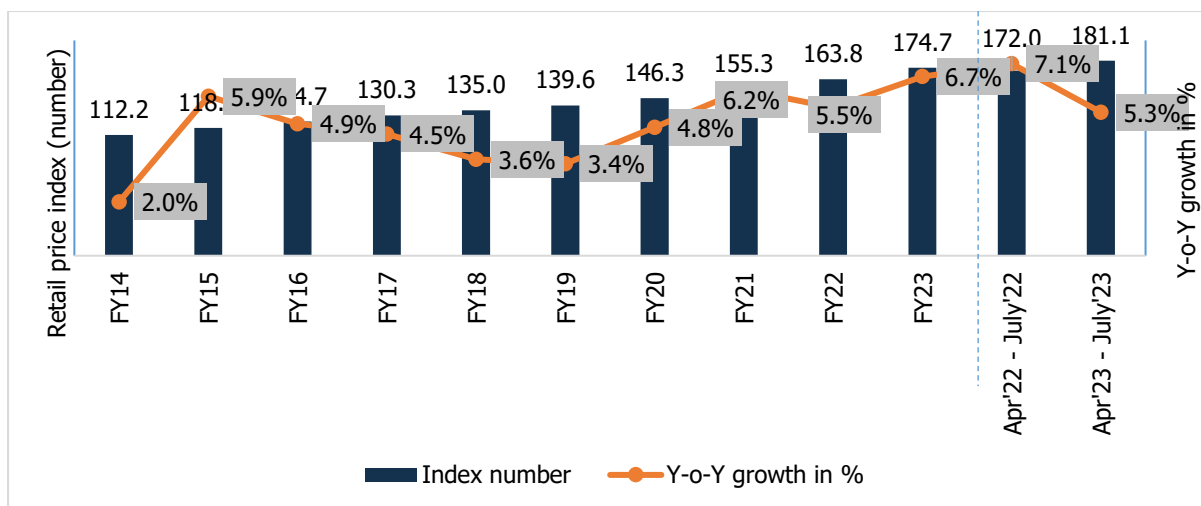
Consumer Price Index

India's consumer price index (CPI), which tracks retail price inflation, stood at an average of 5.5% in FY22 which was within RBI's targeted tolerance band of 6%. However, consumer inflation started to upswing from October 2021 onwards and reached a tolerance level of 6% in January 2022. Following this, CPI reached 6.9% in March 2022.

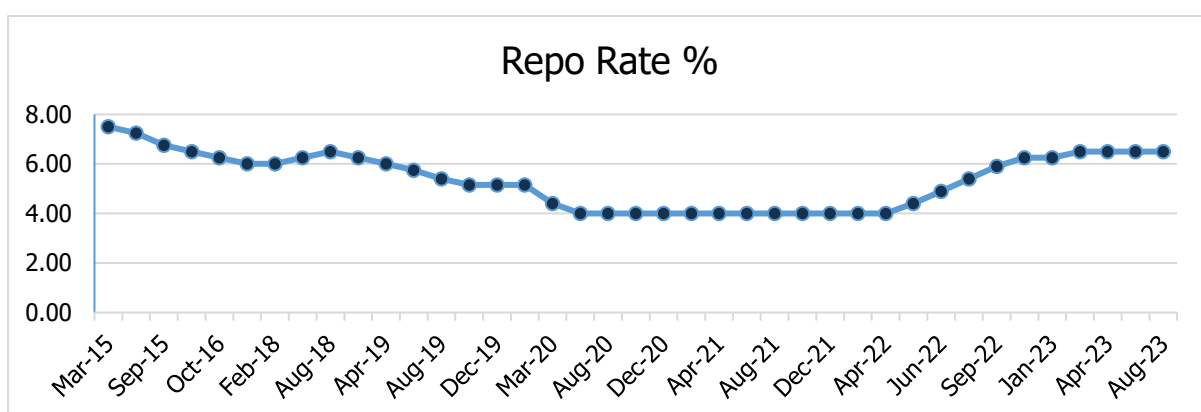
CPI remained elevated at an average of 6.7% in FY23, above the RBI's tolerance level. However, there was some respite toward the end of the fiscal wherein the retail inflation stood at 5.7% in March 2023, tracing back to the RBI's tolerance band. Apart from a favorable base effect, the relief in retail inflation came from a moderation in food inflation.

In the current fiscal FY24, the CPI moderated for two consecutive months to 4.7% in April 2023 and 4.3% in May 2023. This trend snapped in June 2023 with CPI rising to 4.9% and 7.4% in July 2023 largely due to increased food inflation. The CPI has breached the RBI's target range for the first time since February 2023. This marks the highest reading observed since the peak in April 2022 at 7.8%. The notable surge in vegetable prices and elevated inflation in other food categories such as cereals, pulses, spices, and milk have driven this increase. Further, the contribution of food & beverage to the overall inflation has risen significantly to 65%, surpassing their weight in the CPI basket.

Retail Price Inflation in terms of index numbers and Y-o-Y Growth in % (Base: 2011-12=100)



The CPI is primarily factored in by RBI while preparing their bi-monthly monetary policy. The RBI has increased the repo rates with the rise in inflation in the past year from 4% in April 2022 to 6.5% in January 2023.



Source: RBI

However, with the inflation easing over the last few months, RBI has kept the repo rate unchanged at 6.5% in the last three meetings of the Monetary Policy Committee. At the bi-monthly meeting held in August 2023, RBI projected inflation at 5.4% for FY24 with inflation during Q2FY24 at 6.2%, Q3FY24 at 5.7%, Q4FY24 at 5.2% and Q1FY25 at 5.2%

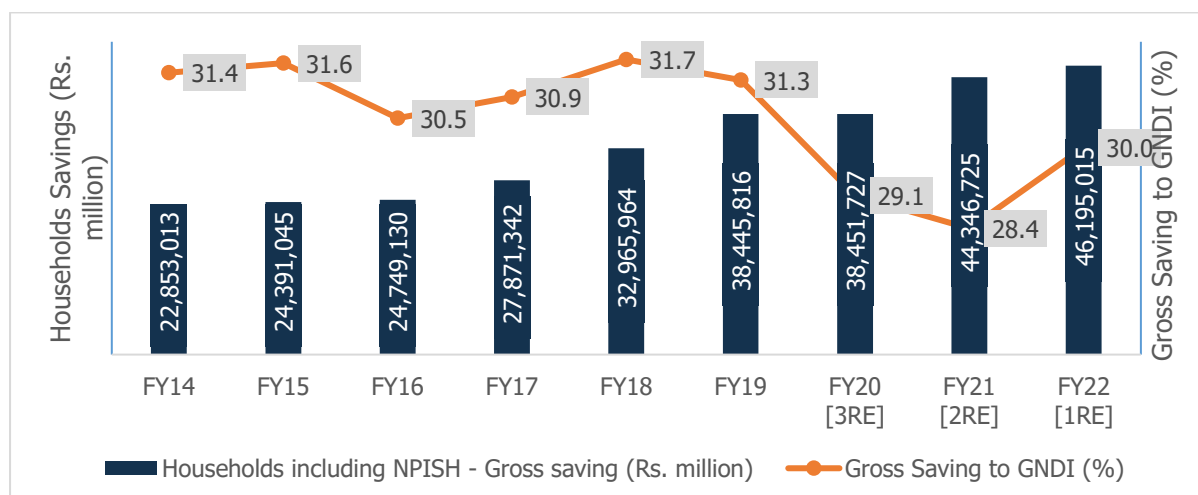
In a meeting held in August 2023, RBI also maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate of 6.25% as the floor and the marginal standing facility (MSF) at the upper end of the band at 6.75%.

Further, the central bank continued to remain focused on the withdrawal of its accommodative stance. With domestic economic activities gaining traction, RBI has shifted gears to prioritize controlling inflation. While RBI has paused on the policy rate front, it has also strongly reiterated its commitment to bringing down inflation close to its medium-term target of 4%. Given the uncertain global environment and lingering risks to inflation, the Central Bank has kept the window open for further monetary policy tightening in the future, if required.

Savings Trend in India

Savings are crucial to economic growth. In FY22, the gross saving to disposable income ratio stood at 30%. The household savings increased sharply in FY21. The growth trajectory was reflected in FY22 as well with about 4.2% y-o-y increase. Consistent efforts toward financial inclusion, increasing digitalisation, rising trend in disposable income, and government initiatives have supported effective channelization of savings.

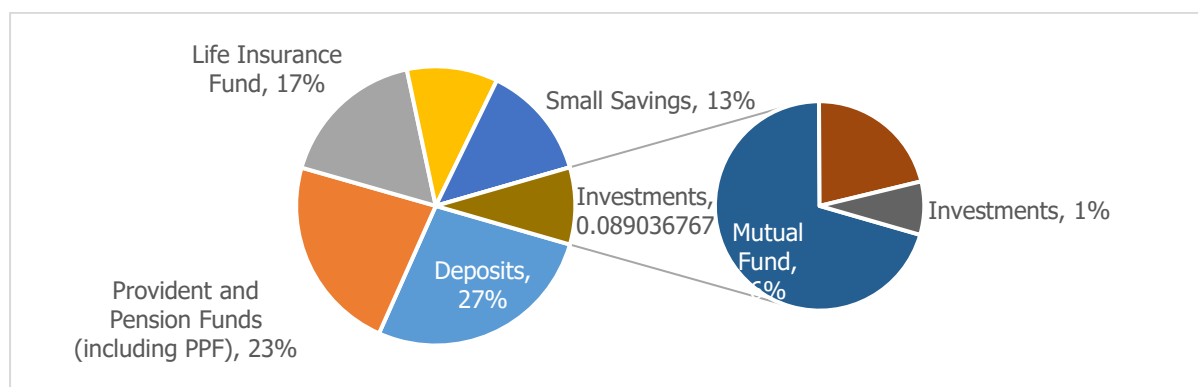
Gross Savings Trend



Note: GNDI – Gross net disposable income; Source: MOSPI

The profile of financial assets across different alternatives during FY22 included major proportion from Deposits (27%), followed by Provident and pension funds (23%), Life Insurance Fund (17%), Small Saving (13%), Currency (11%), and Investments (9%).

Financial Assets of Households in FY22 – By Instruments



Source: RBI

Key Demographic Drivers for Economic Growth

The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization.

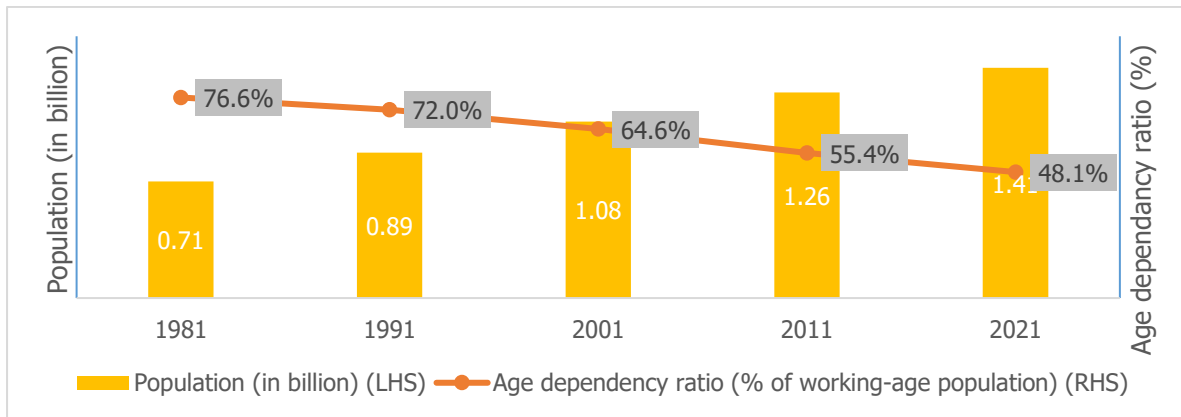
Some of the key demographic drivers are as under:

- ### Growing Population and Declining Dependency Ratio

With 1.41 billion people, India is the second-most populous country in the world, with the population witnessing significant growth in the past few decades.

Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. It was as high as 76.6% in 1981, which has reduced to 48.1% in 2021. Declining dependency means the country has an improving share of working-age population generating income, which is a good sign for the economy.

Trend of India Population vis-à-vis dependency ratio

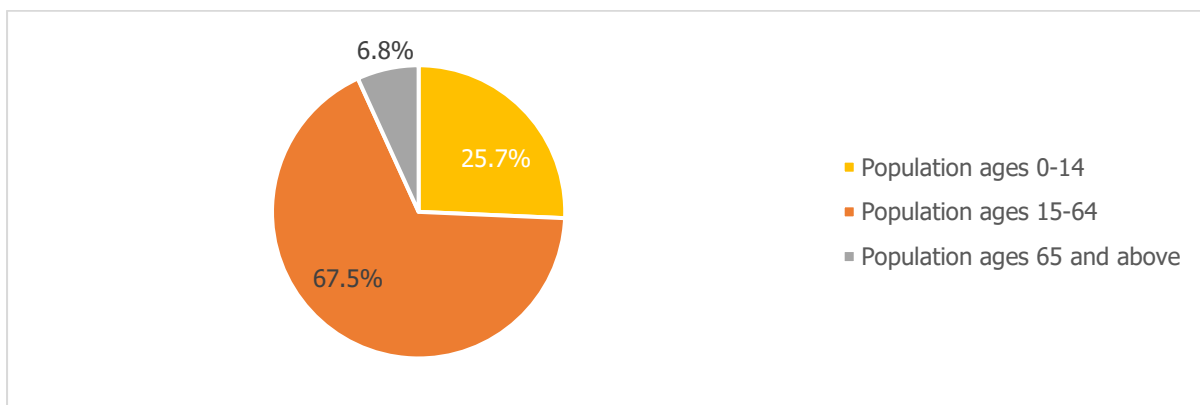


Source: World Bank Database

- **Young Population**

With an average age of 29, India has one of the youngest populations globally. With vast resources of young citizens entering the workforce every year, it is expected to create a ‘demographic dividend’. India is home to a fifth of the world’s youth demographic and this population advantage will play a critical role in economic growth.

Age-Wise Break Up of Indian population

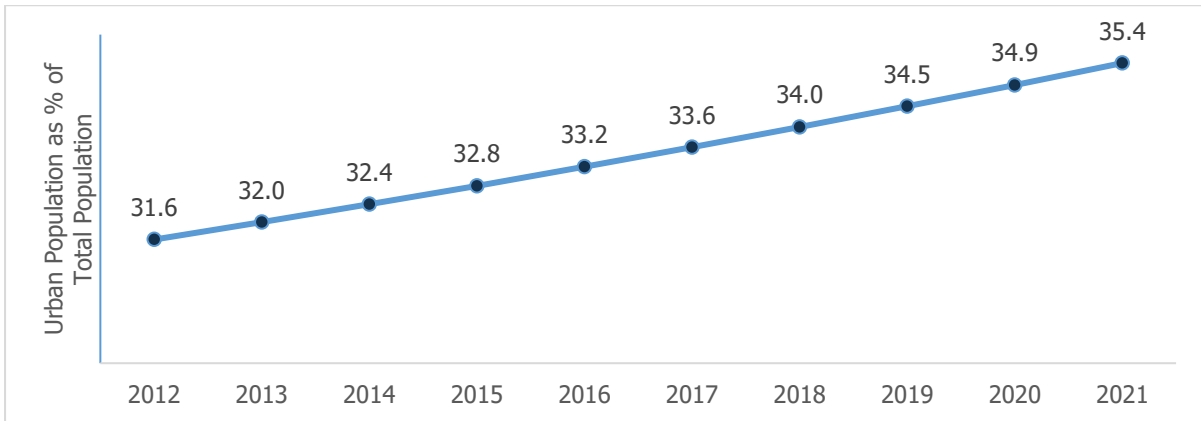


Source: World Bank Database

- **Urbanization**

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 403 million (31.6% of total population) in the year 2012 to 498 million (35.4% of total population) in the year 2021. People living in Tier-2 and Tier-3 cities have greater purchasing power.

Urbanization Trend in India



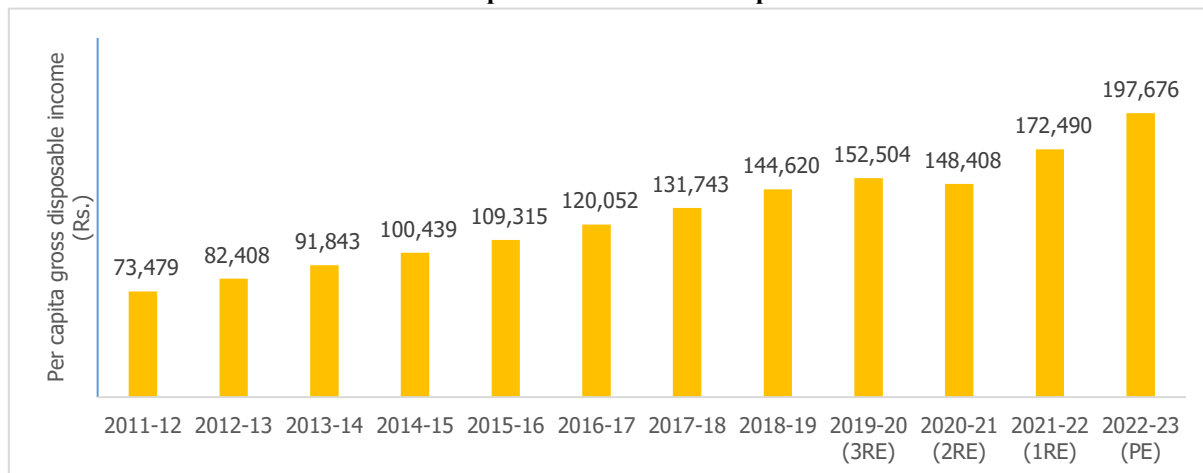
Source: World Bank Database

- **Increasing Per Capita Disposable Income**

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period fiscal 2012 to fiscal 2023, per capita GNDI registered a CAGR of 9.4%. More disposable income drives more consumption, thereby driving economic growth.

The trend of per capita GNDI in the past 12 years:

Trend of Per Capita Gross National Disposable Income



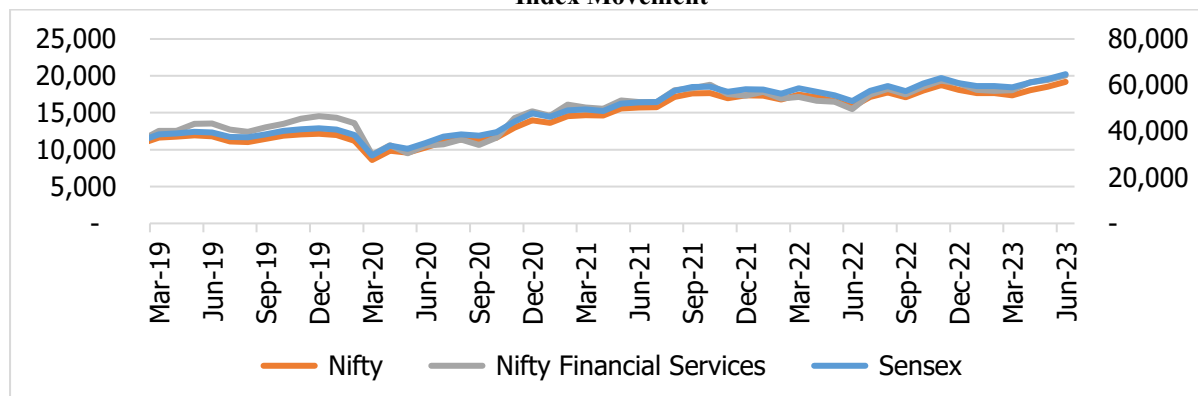
Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate
Source: MOSPI

Overview Of Indian Capital Market

Index Movement

The role of capital markets is to act as a platform between buyers and suppliers engaging in the trading of financial securities such as stocks, bonds and various other securities. Capital markets help in the mobilization of resources and allocation of funds. The capital markets aid in providing long-term funds to the corporate sector by channelizing savings and investments between individuals who have capital and entities in need of funds.

Index Movement



Source: NSE, BSE, CareEdge Research

The Indian capital markets have been on a steady growth trajectory since May 2020. The Government's decision to impose a nationwide lockdown impacted the markets and subsequently, both Nifty and Sensex crashed to multi-year lows. However, investors tried to use the temporary weakness in the market to build their portfolios. This, coupled with a sharp cut in bank deposits, drew more investor participation in equities, which resulted in the indices witnessing a return to growth as early as May 2020. Currently, (June '23) the indices are showing an upward growth trend amid the fluctuations in the market caused by anticipation of interest rate hikes by RBI and a rise in inflation.

Nifty movement

| Date | Nifty Closing | Change (y-o-y) |
|----------------|---------------|----------------|
| March 31, 2020 | 8,597.75 | -26.03% |
| June 30, 2020 | 10,302.10 | -12.61% |
| March 31, 2021 | 14,690.70 | 70.87% |
| June 30, 2021 | 15,721.50 | 52.60% |
| March 31, 2022 | 17,464.75 | 18.88% |
| June 30, 2022 | 15,780.30 | 0.37% |
| March 31, 2023 | 17,359.75 | -0.60% |
| June 30, 2023 | 19,189.05 | 21.60% |

Source: NSE, CareEdge Research

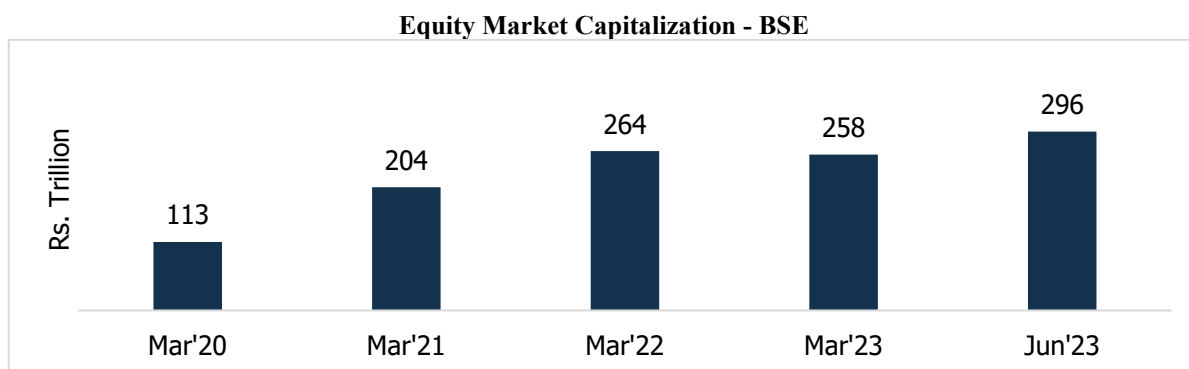
Snapshot of Indian Capital Market

Snapshot of Indian Capital Market

| Description | Mar-22 | Jun-22 | Mar-23 | Jun-23 |
|--|-----------|-----------|-----------|-----------|
| Equity Market indices | | | | |
| Nifty 50 | 17,465 | 15,780 | 17,360 | 19,189 |
| Sensex | 58,569 | 53,019 | 58,992 | 64,719 |
| Nifty Midcap 50 | 8,184 | 7,298 | 8,467 | 10,127 |
| Nifty Smallcap 100 | 10,436 | 8,445 | 8,995 | 10,837 |
| BSE Midcap | 24,108 | 21,713 | 24,066 | 28,776 |
| BSE Smallcap | 28,216 | 24,786 | 26,957 | 32,602 |
| Market Capitalisation (Rs. Trillion) | | | | |
| BSE | 264.1 | 243.7 | 258.2 | 296.5 |
| NSE | 261.8 | 242.0 | 256.3 | 294.6 |
| P/E Ratio | | | | |
| Sensex | 25 | 22 | 22 | 23 |
| Nifty 50 | 22 | 20 | 20 | 22 |
| No of Listed Companies | | | | |
| BSE | 5,350 | 5,386 | 5,433 | 5,409 |
| NSE | 2,065 | 2,096 | 2,191 | 2,232 |
| Gross Turnover in Equity Segment (Rs. Billion) | | | | |
| BSE | 1,065 | 627 | 770 | 1,083 |
| NSE | 13,849 | 9,814 | 10,286 | 13,090 |
| Gross Turnover in Equity Derivatives Segment (Rs. Billion) | | | | |
| BSE | 52,403 | 42,675 | 1,150 | 20,962 |
| NSE | 20,05,433 | 24,25,609 | 49,55,572 | 54,21,916 |
| Gross Turnover in Currency Derivatives Segment (Rs. Billion) | | | | |
| BSE | 7,266 | 5,100 | 3,411 | 2,937 |
| NSE | 27,764 | 21,728 | 39,418 | 32,656 |
| MSEI | 92 | 130 | 283 | 138 |
| Gross Turnover in Interest Rate Derivatives Segment (Rs. Million) | | | | |
| BSE | 1,07,150 | 29,300 | 26,520 | 0 |
| NSE | 25,810 | 13,520 | 29,350 | 19,730 |

Source: SEBI, CareEdge Research

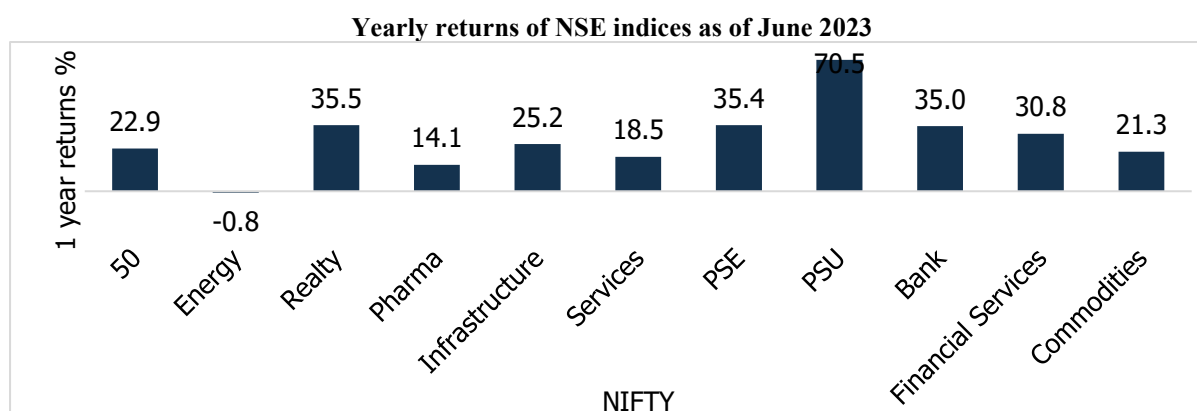
Market Capitalization of India and its Historic Trend



Source: BSE, CareEdge Research

As of Jun, 23, the equity market capitalization was on an upward trajectory. This growth is backed by economic growth and increased participation of the retail segment. Since the valuation of Indian equities is currently high, this encourages inflow of funds by foreign investors.

Performance of NSE Indices



Source: NSE, CareEdge Research

The yearly returns of these select NSE indices showed miniscule returns as on June '23. However, the BFSI sector-related indices continued to show high returns. Nifty PSU one-year return was 70.5% was the highest returns among other select indices. While Nifty Realty, Pharma, Services posted positive returns as of June'23.

Primary Market Trends (Public & Rights Issues)

Trends in Primary Market

| Particulars | Q1FY23 | | Q1FY24 | |
|--|---------------|----------------------|---------------|----------------------|
| | No. of Issues | Amount (Rs. Billion) | No. of Issues | Amount (Rs. Billion) |
| I. Public Issues (Debt) | 11 | 25.24 | 9 | 25.75 |
| (a) Public Issue (Equity) | 32 | 375.50 | 17 | 38.59 |
| (b) FPOs | - | - | - | - |
| (c) Rights Issues | 14 | 11.95 | 17 | 38.59 |
| II. Total Equity Issues (a+b+c) | 46 | 387.45 | 34 | 77.17 |
| Grand Total (I+II) | 57 | 412.69 | 43 | 102.93 |

Source: SEBI, CareEdge Research

- Notes: 1. Equity public issues also includes issues listed on SME platform.
 2. Data of equity is being prepared based on the listing date.
 3. The data of Debt is being prepared based on closing date.

Capital Raised by Listed Companies through Qualified Institutional Placements (QIPs)

Capital raised by listed companies through QIPs

| Year | Total No. of issues | Amount (Rs. Billion) |
|--------|---------------------|----------------------|
| FY21 | 31 | 787.38 |
| FY22 | 29 | 314.40 |
| FY23 | 11 | 82.12 |
| Q1FY23 | 3 | 10.09 |
| Q1FY24 | 7 | 31.50 |

Source: SEBI, CareEdge Research

Qualified institutional placements are directly linked to markets and the volatility in markets significantly impacts market transactions. During FY23 with rising global headwinds, there was a sharp increase in volatility backed by tightening monetary policy to keep inflation in check. However, the situation has improved during the first quarter of FY24 as compared to FY23, with decreasing inflationary pressures, attractive valuation of stocks, and boost in economic growth.

Public Issue and Private Placement of Debt & Equity

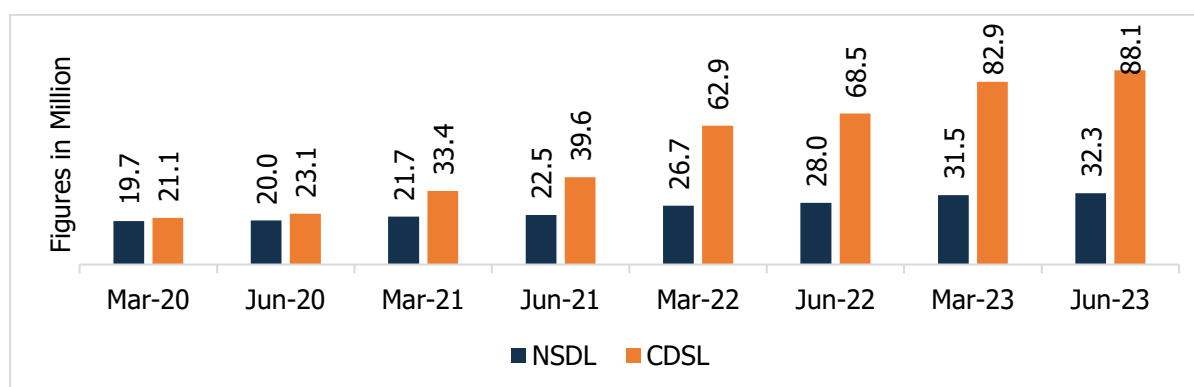
| Year | Total No. of issues | Amount (Rs. Billion) |
|--------|---------------------|----------------------|
| FY21 | 96 | 1,207 |
| FY22 | 192 | 1,505 |
| FY23 | 276 | 752 |
| Q1FY23 | 57 | 413 |
| Q1FY24 | 43 | 103 |

Source: SEBI, CareEdge Research

As of March '22, total amount mobilized through public issues and private placement of both debt and equity indicates 25% increase in the amount mobilized and 100% increase in number of issues over March '21. Whereas for FY23, there is positive environment indicated by growth in the number of issues over FY22 however, in value terms they are half of that in March '22.

Trends in Depository Accounts

Number of Active Client Accounts



Source: NSDL, CDSL, CMIE, CareEdge Research

Trends in Equity Capital Raised through Public and Rights Issues

Equity Capital Raised through Public and Rights Issues

| Industry | Q1FY23 | | Q1FY24 | |
|--------------------------------|---------------|----------------------|---------------|----------------------|
| | No. of issues | Amount (Rs. Million) | No. of issues | Amount (Rs. Million) |
| Miscellaneous | 15 | 79,960 | 23 | 58,500 |
| Finance | 3 | 4,800 | 3 | 25,840 |
| Electronic Equipment/ Products | 0 | 0 | 5 | 15,610 |
| Healthcare | 4 | 17,000 | 6 | 2,140 |
| Engineering | 1 | 170 | 2 | 1,000 |
| Cement/ Constructions | 4 | 2,660 | 2 | 970 |
| Food processing | 2 | 670 | 2 | 720 |
| Roads & Highways | 0 | 0 | 1 | 660 |
| Textile | 2 | 980 | 1 | 420 |
| Oil & Natural Gas | 1 | 43,000 | 1 | 410 |
| Plastic | 0 | 0 | 1 | 280 |
| Entertainment | 0 | 0 | 1 | 210 |
| Consumer Services | 1 | 70 | 1 | 210 |
| Power | 0 | 0 | 1 | 210 |
| Info Tech | 4 | 7,800 | 2 | 140 |
| Automobiles | 0 | 0 | 0 | 0 |
| Banks/FIs | 1 | 490 | 0 | 0 |
| Chemical | 5 | 24,200 | 0 | 0 |
| Hotels | 1 | 90 | 0 | 0 |
| Insurance | 1 | 2,05,570 | 0 | 0 |
| Total | 45 | 3,87,460 | 52 | 1,07,330 |

Source: SEBI, CareEdge Research

Data of equity is being prepared based on the listing date of the issues.

During Q1FY24, finance sector has been significantly contributing in terms of value of equity capital raised through public and rights issue. While the number of issues is same as Q1FY23, the capital raise is more than five times of the capital raised during Q1FY23. In terms of number of issues, electronics equipment/products and healthcare have seen traction during the first quarter of FY24.

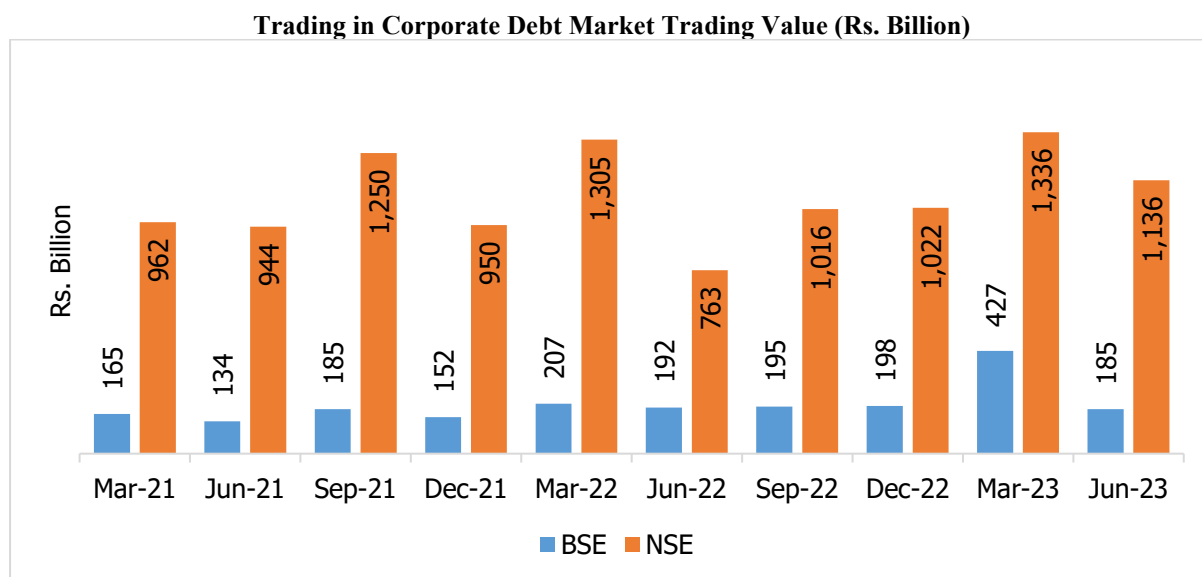
Trends in Equity Derivatives Market

Trends in Equity Derivatives Market Turnover (Rs. Billion)

| Description | BSE | | NSE | |
|------------------------------|---------------|---------------|------------------|--------------------|
| | Q1FY23 | Q1FY24 | Q1FY23 | Q1FY24 |
| (i) Index Futures | 0 | 10 | 25,743 | 16,075 |
| (ii) Options on Index | | | | |
| Put | 12,557 | 10,139 | 29,72,877 | 72,97,048 |
| Call | 61,880 | 11,035 | 34,15,453 | 75,63,575 |
| (iii) Stock Futures | - | 0 | 48,164 | 46,361 |
| (iv) Options on Stock | | | | |
| Put | 0 | 0 | 40,766 | 52,590 |
| Call | 0 | 0 | 93,500 | 1,11,841 |
| Total | 74,437 | 21,184 | 65,96,504 | 1,50,87,490 |

Source: SEBI, CareEdge Research

The aggregate turnover of index option has grown by 130% during Q1FY24 over Q1FY23. While, the turnover of options on stock grew by 22% during Q1FY24 over Q1FY23, the turnover of index futures saw 38% decline during Q1FY24 over Q1FY23.



Source: SEBI, CareEdge Research

During Jun'23, BSE registered 27,646 trades of corporate debt with traded value of around Rs. 185 billion, indicating a decline of nearly 4% in traded value over Jun'22. During Jun'23, at NSE, 61,142 trades were registered with a traded value of Rs. 1,136 billion indicating 49% uptick in traded value over same month of previous financial year.

Market Making

Overview

Market Makers are individuals or firms that actively quote two-sided markets in a particular security, providing bids and offers (known as asks) along with the market size of each. They buy and sell securities listed on the SME platforms at defined prices. Many market makers are often brokerage houses that provide trading services for investors in an effort to keep financial markets liquid.

To be a market maker, it is mandatory for these firms/ individuals to have a minimum net worth of Rs. 10 million all the time whether at the time of application or all times when they are acting as a market maker.

As of September 2023, there are 117 market makers registered with the National Stock Exchange (NSE) and 141 registered with the BSE. Once the shares of the SME company are listed, every SME IPO is supposed to have market-making for at least 3 years.

The major benefits of market making include-

- Improvement in the liquidity for the company stocks, resulting in better pricing of shares.
- Uplifts new investors to buy the stocks as market makers offer assured liquidity.
- Better liquidity in the stock helps investors to sell their holdings easily at any point in time.
- Competition among market makers leads to better pricing for investors.
- Promoter holding is not eligible to be offered to the market makers.
- Market makers scrutinize the data about the given stock which helps both investors as well as the company.

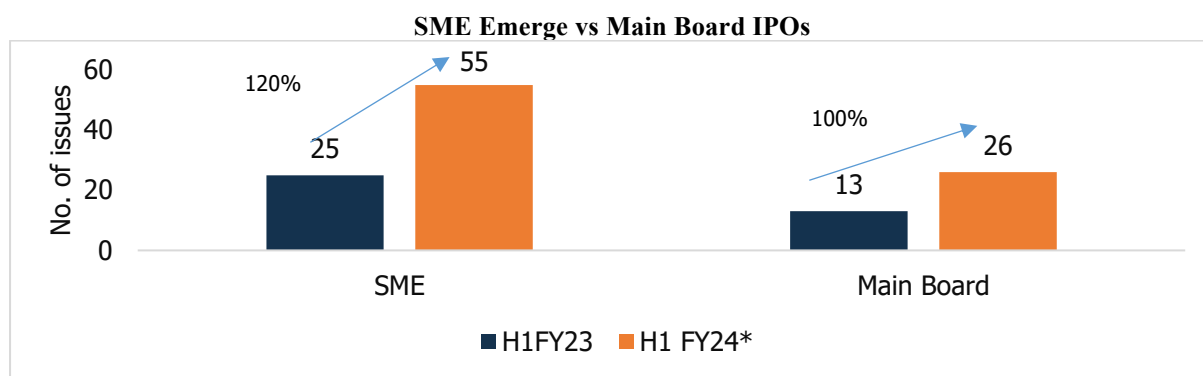
Small and Medium Enterprises (SMEs) are the key growth drivers of the Indian economy. Apart from contributing to the GDP, they also provide employment to the large segment of the population, specifically the non-formal sector. SMEs comprise various sectors: capital goods, healthcare, information technology, and consumer goods and services. Of these, consumer goods and services constitute the majority of the share.

Growing Opportunity for Market Makers on the Indian SME Platform

SMEs require huge capital to expand and diversify their business operations. They often rely on external sources of funding to fulfil these requirements. As of September 26, 2023, there are about 2,78,32,922 MSMEs registered in India out of which nearly 800 are listed on SME exchange.

SMEs can raise funds either through equity or debt. Over the recent years, SMEs listing in the capital markets has seen traction. For instance, during FY23, the SME market witnessed sturdy growth with 125 issues, representing an increase of 79% as compared to 70 issues in FY22. During April-July 2023, the IPO issues of SMEs reached 47 from 29 compared to the corresponding period last year.

With the healthy growth in the Indian economy, number of issues in the SME IPO has shown a remarkable growth of 120% in H1FY24 (as compared to H1FY23). This growth is higher than the no. of issues witnessed in the Main Board IPOs. After the recent stock performance in the SME market, the trend in SME IPO is experiencing significant growth in terms of issues and has the potential for long-term growth.

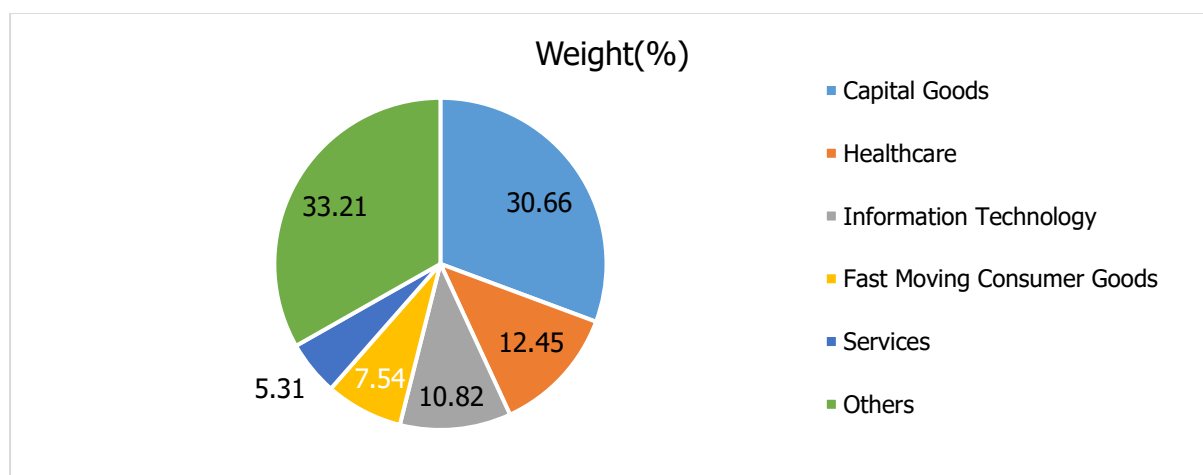


Source: NSE

*Note: H1 FY24 refers to the period from April 01, 2023 – September 25, 2023

CareEdge Research believes that the increasing volume of SME IPOs across various sectors such as manufacturing, construction, hospitality, food processing, packaging, pharmaceuticals, chemicals, etc., is likely to facilitate lucrative opportunities for market makers to increase the flow of money in the economy.

Diversified Sector Representation of NSE Emerge- SME (as on August 31, 2023)

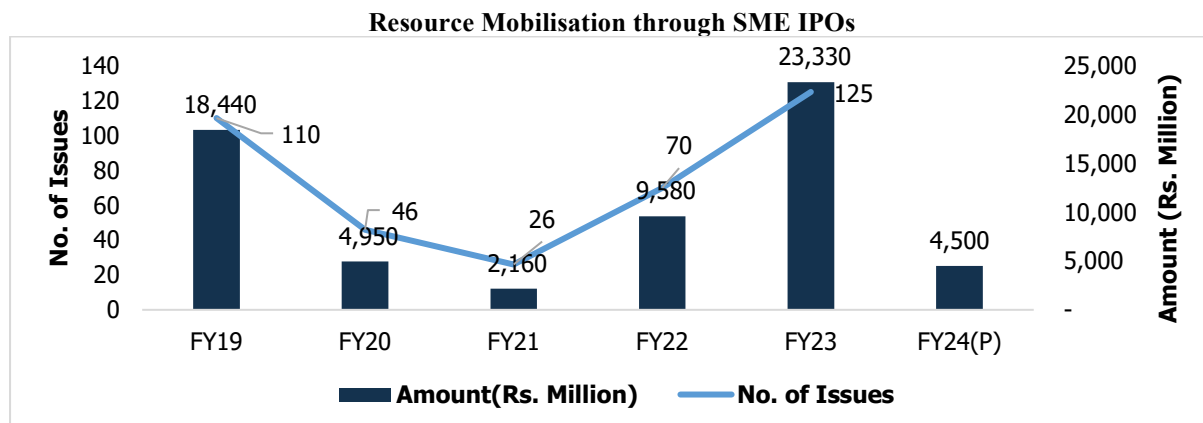


Source: NSE

Rise in No. of Companies for SME IPOs-

SME platform in the country witnessed a remarkable uptrend in the number of companies listed as well as the amount raised in FY23 (when compared to FY22). During FY23, 125 companies got listed in the SME platform, raising Rs. 23,330 million compared to Rs. 9,580 million raised through 70 issues in FY22. The issue amount is

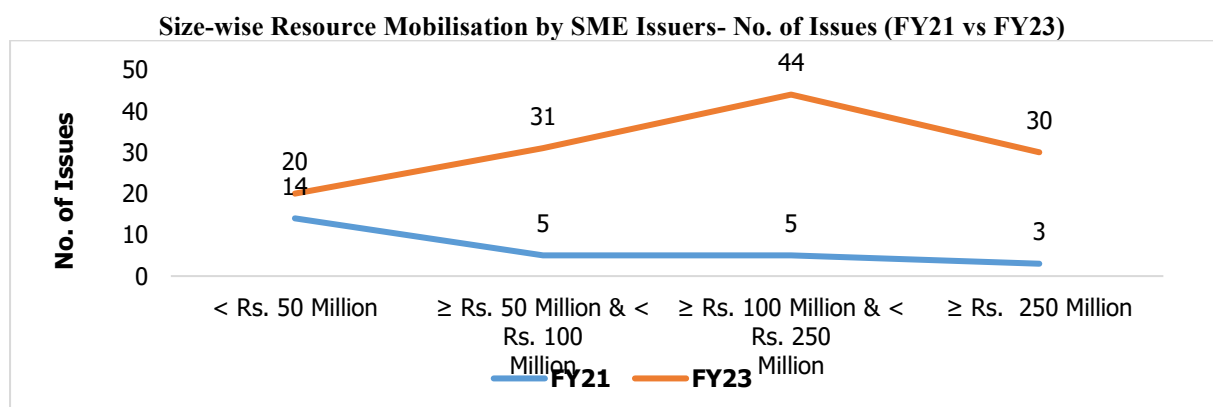
expected to hit a figure of around Rs. 45,000 million (approx.) in FY24, supported by rise in number of issues and attractive valuation. Listing gains are another factor that will probably push the SME IPOs as many of the companies have showed the price trend in green.



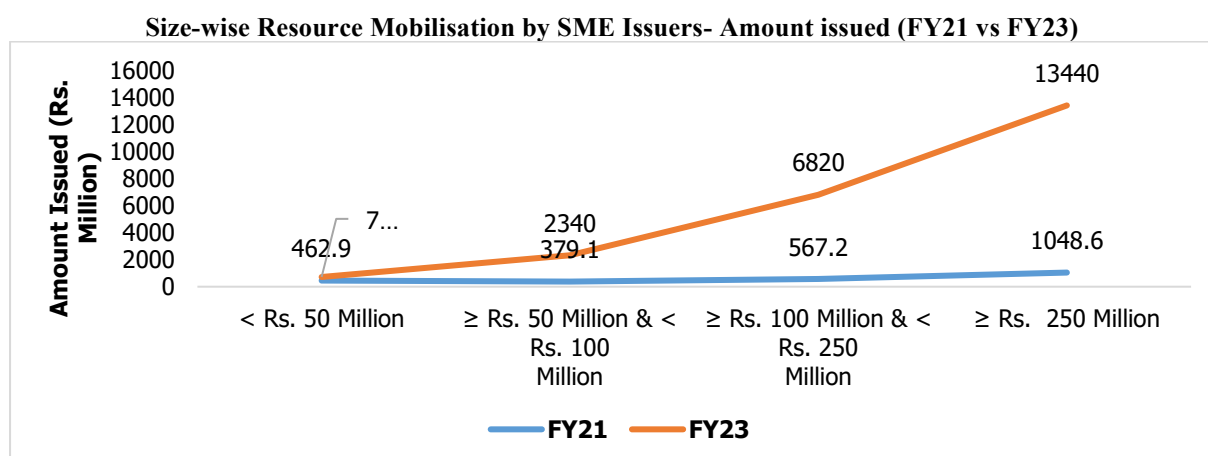
Note: P-Projections

Source: Securities and Exchange Board of India (SEBI), CareEdge Research

During FY23, out of 125 issues listed on the SME platform, 20 issues were of issue size less than Rs. 50 million, 31 issues were of issue size of Rs. 50 million or more but less than Rs. 100 million, 44 issues were of issue size of Rs. 100 million or more but less than Rs. 250 million and 30 issues were of issue size of Rs. 250 million or more. FY20 and FY21 witnessed lower number of SME issues due to the Covid pandemic. However, the number of issues surged after the reopening of the economic activities.



Source: SEBI



Source: SEBI

SME IPOs have given opportunities to investors to invest in some emerging and non- conventional business, which hardly may be the case in the Main- Board IPO. Provided, that the SME IPOs are coming to force because of growing startup ecosystem and innovative business models, this asset class is thriving from the rising inflows. Many listed companies on SME exchange witnessed strong financials and better figures for return on assets and asset utilisation than the listed Main- Board companies. Due to these factors, the market has seen huge confidence in the anchor investors and QIBs.

Subscription of the listed SME IPOs during H1 FY24*- Largely Oversubscribed

| Company name | Listing month | Subscription (times) |
|--|---------------|----------------------|
| Unihealth Consultancy Limited | Sep-23 | 24.61x |
| Meson Valves India Limited | Sep-23 | 270.06x |
| Jiwanram Sheoduttrai Industries Limited | Sep-23 | 151.47x |
| Kahan Packaging Limited | Sep-23 | 1102.34x |
| Saroja Pharma Industries India Limited | Sep-23 | 14.83x |
| Pramara Promotions Limited | Sep-23 | 17.14x |
| Basilic Fly Studio Limited | Sep-23 | 415.22x |
| Mono Pharmicare Limited | Sep-23 | 19.40x |
| C P S Shapers Limited | Sep-23 | 301.03x |
| Sahaj Fashions Limited | Sep-23 | 11.72x |
| Sungarner Energies Limited | Aug-23 | 192.93x |
| Crop Life Science Limited | Aug-23 | 7.15x |
| Bondada Engineering Limited | Aug-23 | 86.74x |
| Shoora Designs Limited | Aug-23 | 132.80x |
| Shelter Pharma Limited | Aug-23 | 18.95x |
| Srivari Spices and Foods Limited | Aug-23 | 517.95x |
| Yudiz Solutions Limited | Aug-23 | 6.41x |
| Sangani Hospitals Limited | Aug-23 | 6.17x |
| Oriana Power Limited | Aug-23 | 204.04x |
| Vinsys IT Services Limited | Aug-23 | 111.56x |
| Zeal Global Services Limited | Aug-23 | 3.85x |
| Khazanchi Jewellers Limited | Aug-23 | 0.93x |
| Shri Techtex Limited | Aug-23 | 156.37x |
| Innovatus Entertainment Networks Limited | Aug-23 | 159.14x |
| Yasons Chemex Care Limited | Aug-23 | 68.76x |
| Service Care Limited | Jul-23 | 10.54x |
| Asarfi Hospital Limited | Jul-23 | 188.74x |
| Drone Destination Limited | Jul-23 | 250.21x |
| Ahasolar Technologies Limited | Jul-23 | 50.03x |
| AccelerateBS India Limited | Jul-23 | 64.94x |
| Kaka Industries Limited | Jul-23 | 384.79x |
| Alphalogic Industries Limited | Jul-23 | 8.40x |
| Tridhya Tech Limited | Jul-23 | 67.71x |
| Synoptics Technologies Limited | Jul-23 | 2.54x |
| Global Pet Industries Limited | Jul-23 | 4.14x |
| Pentagon Rubber Limited | Jul-23 | 130.70x |
| Essen Speciality Films Limited | Jul-23 | 68.07x |
| Greenchef Appliances Limited | Jul-23 | 62.63x |
| Magson Retail and Distribution Limited | Jul-23 | 7.38x |
| Veefin Solutions Limited | Jul-23 | 1.88x |
| Aatmaj Healthcare Limited | Jun-23 | 30.27x |
| Cosmic CRF Limited | Jun-23 | 0.64x |
| Vilin Bio Med Limited | Jun-23 | 4.31x |

| Company name | Listing month | Subscription (times) |
|---|---------------|----------------------|
| Cell Point (India) Limited | Jun-23 | 7.92x |
| Bizotic Commercial Limited | Jun-23 | 2.14x |
| Spectrum Talent Management Limited | Jun-23 | 13.10x |
| Urban Enviro Waste Management Limited | Jun-23 | 220.65x |
| Sonalis Consumer Products Limited | Jun-23 | 54.92x |
| Kore Digital Limited | Jun-23 | 33.23x |
| Comrade Appliances Limited | Jun-23 | 90.87x |
| CFF Fluid Control Limited | Jun-23 | 0.65x |
| Sahana System Limited | Jun-23 | 12.97x |
| Infollion Research Services Limited | Jun-23 | 567.88x |
| Hemant Surgical Industries Limited | Jun-23 | 11.94x |
| Proventus Agrocom Limited | Jun-23 | 0.74x |
| Crayons Advertising Limited | Jun-23 | 169.94x |
| Vasa Denticity Limited | Jun-23 | 58.07x |
| Remus Pharmaceuticals Limited | May-23 | 49.77x |
| Krishca Strapping Solutions Limited | May-23 | 572.56x |
| Auro Impex & Chemicals Limited | May-23 | 50.73x |
| De Neers Tools Limited | May-23 | 11.88x |
| Innokaiz India Limited | May-23 | NA |
| Retina Paints Limited | May-23 | 11.12x |
| Quicktouch Technologies Limited | May-23 | NA |
| A G Universal Limited | Apr-23 | 2.54x |
| Pattech Fitwell Tube Components Limited | Apr-23 | 2.01x |
| MOS Utility Limited | Apr-23 | 16.11x |
| Sancode Technologies Limited | Apr-23 | 4.71x |
| Infinium Pharmachem Limited | Apr-23 | 1.86x |
| Exhicon Events Media Solutions Limited | Apr-23 | 2.88x |
| Sotac Pharmaceuticals Limited | Apr-23 | 1.30x |
| Maiden Forgings Limited | Apr-23 | 1.20x |

Source: Industry Sources

*Note: H1 FY24 refers to the period from April 01, 2023 to September 25, 2023

The SME market segment is likely to drive investors' confidence to subscribe and get benefits from the IPO listing. Numerous stocks have been oversubscribed in the market. For example, a number of SME IPOs that were listed at a significant premium over the issue price, such as Meson Valves India Ltd, Oriana Power Ltd, Basilic Fly Studio Ltd, Sungarner Energies Ltd, C P S Shapers Ltd, Asarfi Hospital Ltd, Kaka Industries Ltd, Shoora Designs Ltd, Drone Destination Ltd, Bondada Engineering Ltd, Urban Enviro Waste Management Ltd, Comrade Appliances Ltd, Crayons Advertising Ltd, Pentagon Rubber Ltd, Shri Techtex Ltd, Innovatus Entertainment Networks Ltd etc., attracted notable oversubscription during H1 FY24.

The market has witnessed remarkable subscription of stocks over 500 times which includes Kahan Packaging Ltd, Krishca Strapping Solutions Ltd, Infollion Research Services Ltd and Srivari Spices and Foods Ltd. The active participation by investors is boosting the growth in the SME market.

Further, the listing gains have sparked the interest and readiness among investors to invest in the SME IPOs. The SME market has seen substantial growth, highlighting companies' profitability and development potential. The future prospects appear to be positive, as investors are more comfortable investing in these stocks as a result of the strong listing gains.

The listing gains of SME IPOs were on the higher side in H1 FY24 (April 01, 2023 to September 25, 2023) as compared to H1 FY19. There has been tremendous increase in subscription of the companies during H1 FY24 by investors as a result of high listing gains. As of H1 FY24, there are about 72 SME IPO's and 59 companies showed gain on their listing day. Moreover, 15 companies exhibited more than 90% growth in their listing gains. In

addition to that, the gain from the current price of SME stocks is also quite alarming and is capturing interest of the investors to invest in these IPO's.

Listing gain/loss of SME IPOs during H1 FY19 & H1 FY24

| Company Names H1 FY19 | | | | | H1 FY24* | | | | |
|-------------------------------------|---------------|---------------------------|--------------------------------|---------------|------------------------------------|---------------|---------------------------|--------------------------------|---------------|
| Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) | Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) |
| Ranjeet Mechatronics Ltd | Sep-18 | 15.4 | 35 | 40 | Unihealth Consultancy Ltd | Sep-23 | 0.76 | 130.35 | -1.25 |
| Akg Exim Ltd | Sep-18 | 3.23 | 23.8 | -23.23 | Meson Valves India Ltd | Sep-23 | 99.46 | 213.6 | 109.41 |
| Rajshree Polypack Ltd | Sep-18 | -2.83 | 168.95 | 40.79 | Jiwanram Sheoduttra Industries Ltd | Sep-23 | 23.91 | 24.5 | 6.52 |
| Synergy Green Industries Ltd | Sep-18 | 17 | 191.5 | 214.71 | Kahan Packaging Ltd | Sep-23 | 99.5 | 147.87 | 84.84 |
| Lagnam Spintex Ltd | Sep-18 | -5 | 67.05 | 63.54 | Saroja Pharma Industries India Ltd | Sep-23 | -18.75 | 74.4 | -11.43 |
| Sumit Woods Ltd | Sep-18 | 6.56 | 35.9 | -20.22 | Pramara Promotions Ltd | Sep-23 | 85 | 99.15 | 57.38 |
| Add-Shop Promotions Ltd | Sep-18 | 10.38 | 36.41 | 40.04 | Basilic Fly Studio Ltd | Sep-23 | 193.35 | 311.8 | 221.44 |
| Marshall Machines Ltd | Sep-18 | -6.43 | 67.85 | 61.55 | Mono Pharmacare Ltd | Sep-23 | 8.75 | 31.3 | 11.79 |
| Supreme Engineering Ltd | Sep-18 | 2.04 | 0.95 | -64.81 | C P S Shapers Ltd | Sep-23 | 155.41 | 420.5 | 127.3 |
| Dangee Dums Ltd | Sep-18 | 27.5 | 10.45 | 41.22 | Sahaj Fashions Ltd | Sep-23 | 1.17 | 29.7 | -1 |
| Aaron Industries Ltd | Sep-18 | 1.84 | 233.95 | 515.66 | Sungarner Energies Ltd | Aug-23 | 216.08 | 218.7 | 163.49 |
| Powerful Technologies Ltd | Aug-18 | -10.59 | | | Crop Life Science Ltd | Aug-23 | 2.21 | 43.55 | -16.25 |
| Sungold Media and Entertainment Ltd | Aug-18 | -2.9 | 22.5 | 125 | Bondada Engineering Ltd | Aug-23 | 99.49 | 168.95 | 125.27 |
| Deep Polymers Ltd | Aug-18 | 2.25 | 90.19 | 125.48 | Shoora Designs Ltd | Aug-23 | 99.5 | 54.9 | 14.38 |
| Saketh Exim Ltd | Aug-18 | 0.58 | 249.1 | 261.01 | Shelter Pharma Ltd | Aug-23 | -0.1 | 43.9 | 4.52 |
| Ushanti Colour Chem Ltd | Aug-18 | 12.33 | 68.5 | 14.17 | Srivari Spices and Foods Ltd | Aug-23 | 153.69 | 120 | 185.71 |
| Ganesh Films India Ltd | Jul-18 | 2.5 | 20.55 | -74.31 | Yudiz Solutions Ltd | Aug-23 | 9.94 | 167 | 1.21 |
| Supershakti Metaliks Ltd | Jul-18 | 0.4 | 575 | 53.33 | Sangani Hospitals Ltd | Aug-23 | 4.63 | 40 | 0 |
| Avon Moldplast Ltd | Jul-18 | 1.27 | 113.4 | 122.35 | Oriana Power Ltd | Aug-23 | 168.73 | 331 | 180.51 |

| Company Names H1 FY19 | | | | | H1 FY24* | | | | |
|-------------------------------------|---------------|---------------------------|--------------------------------|---------------|--------------------------------------|---------------|---------------------------|--------------------------------|---------------|
| Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) | Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) |
| Ambani Organics Ltd | Jul-18 | 0.98 | 138.5 | 109.85 | Vinsys IT Services Ltd | Aug-23 | 70 | 249.9 | 95.23 |
| Raw Edge Industrial Solutions Ltd | Jul-18 | 0.56 | 50.5 | -29.86 | Zeal Global Services Ltd | Aug-23 | 65.19 | 205 | 99.03 |
| Rudrabhishek Enterprises Ltd | Jul-18 | 1.71 | 188.6 | 360 | Khazanchi Jewellers Ltd | Aug-23 | 6.71 | 205.3 | 46.64 |
| Jakharia Fabric Ltd | Jul-18 | 0.83 | 32.1 | -82.17 | Shri Techtex Ltd | Aug-23 | 39.67 | 80.15 | 31.39 |
| Ganga Forging Ltd | Jul-18 | 0.95 | 7.1 | 238.1 | Innovatus Entertainment Networks Ltd | Aug-23 | -6.96 | 35.2 | -29.6 |
| Bright Solar Ltd | Jul-18 | 3.47 | 5.5 | -84.72 | Yasons Chemex Care Ltd | Aug-23 | -16 | 29.85 | -25.38 |
| Rajnish Wellness Ltd | Jul-18 | 5.42 | 11.73 | -87.65 | Service Care Ltd | Jul-23 | 0.82 | 60 | -10.45 |
| Accuracy Shipping Ltd | Jun-18 | 2.5 | 11 | 30.95 | Asarfi Hospital Ltd | Jul-23 | 99.5 | 118.3 | 127.5 |
| Priti International Ltd | Jun-18 | 8.33 | 165.15 | 120.2 | Drone Destination Ltd | Jul-23 | 57.08 | 125.15 | 92.54 |
| ShreeOswal Seeds & Chemicals Ltd | Jun-18 | 3.85 | 70.85 | 1262.5 | Ahasolar Technologies Ltd | Jul-23 | 35.76 | 326 | 107.64 |
| Sonam Clock Ltd | Jun-18 | 2.64 | 59 | 63.89 | AccelerateBS India Ltd | Jul-23 | 27.74 | 241.5 | 168.33 |
| Palm Jewels Ltd | Jun-18 | 19.5 | 14.5 | -51.67 | Kaka Industries Ltd | Jul-23 | 99.5 | 176.3 | 203.97 |
| Waa Solar Ltd | Jun-18 | -4.88 | 82.05 | -49.04 | Alphalogic Industries Ltd | Jul-23 | 0.3 | 195.7 | 103.85 |
| Nakoda Group of Industries Ltd | Jun-18 | 1 | 45.74 | 30.69 | Tridhya Tech Ltd | Jul-23 | 5 | 44.05 | 4.88 |
| Latteys Industries Ltd | Jun-18 | 0.3 | 41.8 | 216.67 | Synoptics Technologies Ltd | Jul-23 | -4.6 | 131.3 | -44.6 |
| Debock Sales and Marketing Ltd | Jun-18 | 1.75 | 10 | -50 | Global Pet Industries Ltd | Jul-23 | 7.76 | 76.65 | 56.43 |
| Arihant Institute Ltd | Jun-18 | -2.5 | 1.56 | -94.8 | Pentagon Rubber Ltd | Jul-23 | 76.43 | 120 | 71.43 |
| Affordable Robotic & Automation Ltd | Jun-18 | 16.76 | 674.65 | 693.71 | Essen Speciality Films Ltd | Jul-23 | 37.38 | 138.3 | 29.25 |
| Shree Vasu Logistics Ltd | Jun-18 | 7.78 | 176.15 | 291.44 | Greenchef Appliances Ltd | Jul-23 | 25.52 | 119.3 | 37.13 |
| Suumaya Lifestyle Ltd | Jun-18 | -0.83 | 10.75 | -40.28 | Magson Retail and Distribution Ltd | Jul-23 | 47.23 | 81.55 | 25.46 |

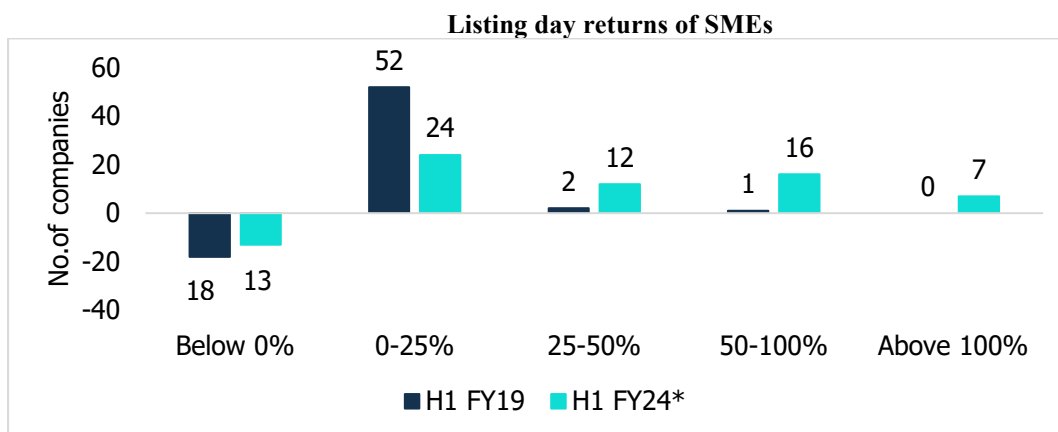
| Company Names H1 FY19 | | | | | H1 FY24* | | | | |
|---------------------------------|---------------|---------------------------|--------------------------------|---------------|-----------------------------------|---------------|---------------------------|--------------------------------|---------------|
| Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) | Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) |
| Sirca Paints India Ltd | May-18 | 3 | 390.1 | 143.81 | Veefin Solutions Ltd | Jul-23 | 10.02 | 214.55 | 161.65 |
| Innovators Facade Systems Ltd | May-18 | 5 | 229.1 | 218.19 | Aatmaj Healthcare Ltd | Jun-23 | -11.33 | 48.2 | -19.67 |
| Megastar Foods Ltd | May-18 | 3.33 | 289.7 | 865.67 | Cosmic CRF Ltd | Jun-23 | -24 | 236 | -24.84 |
| U. H. Zaveri Ltd | May-18 | -28.75 | 41.72 | 15.89 | Vilin Bio Med Ltd | Jun-23 | -5 | 21.9 | -27 |
| Five Core Electronics Ltd | May-18 | 3.93 | | | Cell Point (India) Ltd | Jun-23 | -5 | 51.65 | -48.35 |
| Milestone Furniture Ltd | May-18 | -1.22 | 5.05 | -88.78 | Bizotic Commercial Ltd | Jun-23 | -2.29 | 63 | -64 |
| E2E Networks Ltd | May-18 | 56.14 | 261.05 | 357.98 | Spectrum Talent Management Ltd | Jun-23 | -14.88 | 133.7 | -22.72 |
| Godha Cabcon & Insulation Ltd | May-18 | -6.06 | 1.4 | -57.58 | Urban Enviro Waste Management Ltd | Jun-23 | 48.05 | 132.65 | 32.65 |
| SoftTech Engineers Ltd | May-18 | -10 | 176.1 | 120.13 | Sonalis Consumer Products Ltd | Jun-23 | 33 | 67.69 | 125.63 |
| Indo US Bio-Tech Ltd | May-18 | 13.33 | 221.25 | 333.82 | Kore Digital Ltd | Jun-23 | 6.08 | 325.25 | 80.69 |
| Akshar Spintex Ltd | May-18 | -5 | 7.29 | 82.25 | Comrade Appliances Ltd | Jun-23 | 69.17 | 156.05 | 188.98 |
| Dhruv Consultancy Services Ltd | May-18 | 3.8 | 58.43 | 8.2 | CFF Fluid Control Ltd | Jun-23 | 11.36 | 403.25 | 144.39 |
| Dr Lalchandani Labs Ltd | May-18 | -5 | 27.6 | -8 | Sahana System Ltd | Jun-23 | 26.78 | 251 | 85.93 |
| Aakash Exploration Services Ltd | Apr-18 | 1.79 | 6.35 | 13.39 | Infollion Research Services Ltd | Jun-23 | 142.13 | 180.55 | 120.18 |
| Mahickra Chemicals Ltd | Apr-18 | 47 | 82.7 | 230.8 | Hemant Surgical Industries Ltd | Jun-23 | 99.5 | 198.9 | 121 |
| Bombay Super Hybrid Seeds Ltd | Apr-18 | 5 | 260.9 | 4248.3 | Proventus Agrocom Ltd | Jun-23 | 11.81 | 920 | 19.33 |
| Garv Industries Ltd | Apr-18 | 0 | 37.7 | 3674 | Crayons Advertising Ltd | Jun-23 | 45.38 | 149.7 | 130.31 |
| Penta Gold Ltd | Apr-18 | 0 | 8.4 | -77.3 | Vasa Denticity Ltd | Jun-23 | 73.09 | 430 | 235.94 |

| Company Names H1 FY19 | | | | | H1 FY24* | | | | |
|---|---------------|---------------------------|--------------------------------|---------------|-------------------------------------|---------------|---------------------------|--------------------------------|---------------|
| Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) | Company Name | Listing month | Listing day gain/loss (%) | Current Price at BSE/NSE (Rs.) | Gain/loss (%) |
| Power & Instrumentation (Gujarat) Ltd | Apr-18 | 5.76 | 41.8 | 26.67 | Remus Pharmaceuticals Ltd | May-23 | 46.2 | 4575.2 | 272.27 |
| Narmada Agrobases Ltd | Apr-18 | -0.31 | 19.45 | -39.22 | Krishca Strapping Solutions Ltd | May-23 | 109.07 | 228.9 | 323.89 |
| Vera Synthetic Ltd | Apr-18 | 10.75 | 52 | 30 | Auro Impex & Chemicals Ltd | May-23 | -2.95 | 67.05 | -14.04 |
| S.S. Infrastructure Development Consultants Ltd | Apr-18 | 7.75 | 4.8 | -88 | De Neers Tools Ltd | May-23 | 78.71 | 237 | 134.65 |
| MMP Industries Ltd | Apr-18 | 6.12 | 172.65 | -8.16 | Innokaiz India Ltd | May-23 | 99.5 | 137.5 | 76.28 |
| Soni Soya Products Ltd | Apr-18 | 0.8 | | | Retina Paints Ltd | May-23 | 1.67 | 61 | 103.33 |
| AVG Logistics Ltd | Apr-18 | 10.79 | 301.35 | 181.64 | Quicktouch Technologies Ltd | May-23 | 0 | 238.75 | 291.39 |
| Taylormade Renewables Ltd | Apr-18 | 8 | 533.9 | 1425.4 | A G Universal Ltd | Apr-23 | 0.17 | 71 | 18.33 |
| Orissa Bengal Carrier Ltd | Apr-18 | 11.5 | 50.37 | 67.9 | Pattech Fitwell Tube Components Ltd | Apr-23 | 15.2 | 70 | 40 |
| Kapston Facilities Management Ltd | Apr-18 | 0.6 | 181.35 | 97.12 | MOS Utility Ltd | Apr-23 | 24.34 | 92.35 | 21.51 |
| Lex Nimble Solutions Ltd | Apr-18 | -2.89 | 55.1 | -3.33 | Sancode Technologies Ltd | Apr-23 | 29.36 | 98.14 | 108.81 |
| Continental Seeds and Chemicals Ltd | Apr-18 | -0.96 | 33.2 | 27.69 | Infinium Pharmachem Ltd | Apr-23 | 9.48 | 287.25 | 112.78 |
| Benara Bearings & Pistons Ltd | Apr-18 | -1.67 | 16.65 | -73.57 | Exhicon Events Media Solutions Ltd | Apr-23 | 5 | 272 | 325 |
| Yasho Industries Ltd | Apr-18 | 1.25 | 1764 | 1664 | Sotac Pharmaceuticals Ltd | Apr-23 | 8.78 | 120 | 8.11 |
| Giriraj Civil Developers Ltd | Apr-18 | 0.1 | 1415 | 1315 | Maiden Forgings Ltd | Apr-23 | -4.98 | 110 | 74.6 |
| Mittal Life Style Ltd | Apr-18 | 0 | 12.9 | -38.57 | | | | | |

Source: Industry Sources, NSE

*Note: H1 FY24 refers to the period from April 01, 2023 to September 25, 2023

Current price is as on September 25, 2023

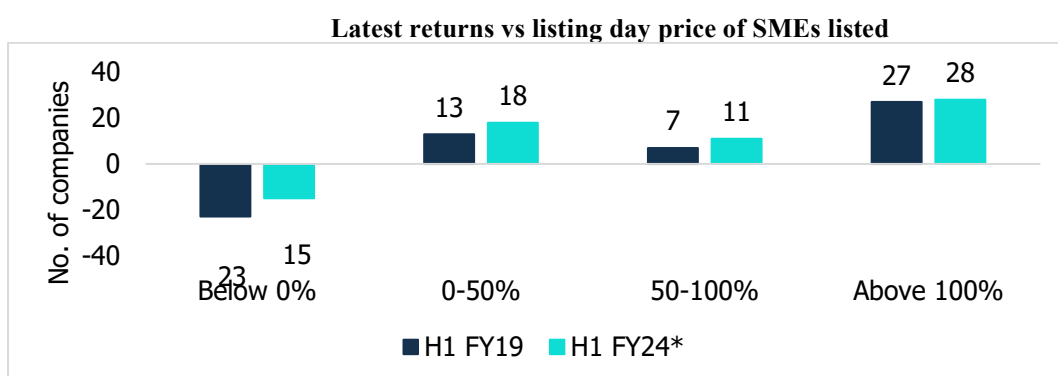


Source: Industry sources, NSE

Note*: H1 FY24 refers to the period from April 01, 2023 to September 25, 2023

From the above, we can depict that the SME companies showed better listing gains in H1 FY24 as compared to H1 FY19.

- There are about 12 SME companies who have showed positive returns between the range of 25-50% in H1 FY24.
- About 16 SMEs showed positive returns between the range of 50-100% in H1 FY24.
- Lastly, there are about 7 SMEs who showed more than 100% gain on their listing day.



Source: Industry sources, NSE

Note*: H1 FY24 refers to the period from April 01, 2023 to September 25, 2023

Current market price is as on September 25, 2023

From the above, we can observe that there has been increase in the no. of SME companies whose gains on current market price were higher during H1 FY24 over H1 FY19.

- There are about 18 SMEs who have shown positive returns between the range of 0-50% during H1 FY24 as compared to 13 companies in H1 FY19.
- About 11 SMEs showed positive returns between the range of 50-100% in H1 FY24.
- About 28 SMEs showed positive returns above 100%.

Besides from Indian investors, there is a possibility of flow of investments from foreign investors. Morgan Stanley recently invested in Oriana Power Ltd, which acts a sign for global investors to acknowledge the potential of Indian SMEs. This action is likely to stimulate greater international investment in SME IPOs and will also lead to development in SME market segment which further results in the overall economic growth. This increase in the traction of IPOs provides an opportunity for market makers to execute more deals and facilitate liquidity creation in the capital market.

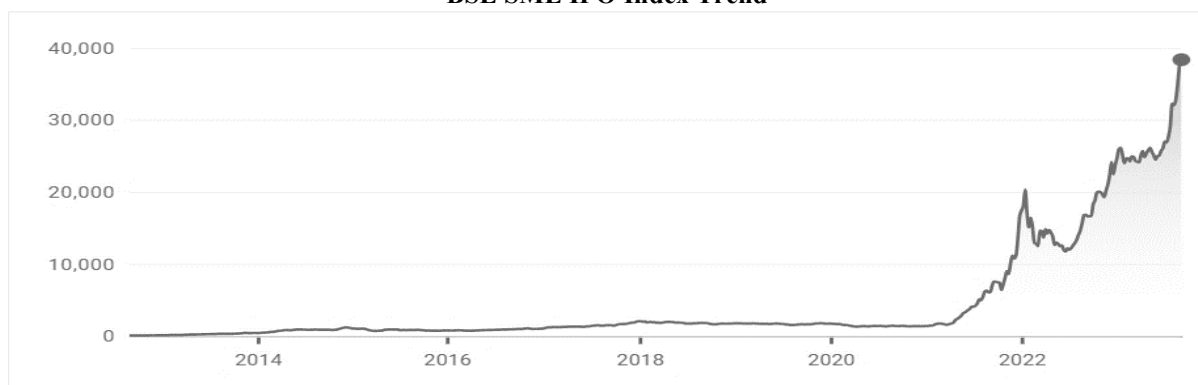
Moreover, in the medium term, the enhancement in regulations and amendments by SEBI can aid towards the growth and expansion of the SME market. CareEdge Research projects that the momentum in the SME market is likely to see continued growth in the coming months on account of robust demand from new launches of IPOs. Furthermore, the potential surge in the SME market can offer opportunities for market makers to bid attractive

quotes to investors for both buying and selling of stocks. Additionally, this can also aid the growth in earning revenue of market makers and can further boost overall wealth in the economy. Accordingly, market makers play a key role in price discovery, thereby providing fair value to other investors. They aid in creation of liquidity, further strengthening the trust of investors and contributing towards the expansion of the SME market.

SME IPO Listing Platforms

BSE is the first Exchange in the country to launch BSE SME PLATFORM in 2012 to list Small and Medium Enterprises (SMEs), under the guidelines of the Securities and Exchange Board of India (SEBI). BSE SME IPO Index is the India's first Stock Market Index for SMEs.

BSE SME IPO Index Trend



Source: BSE

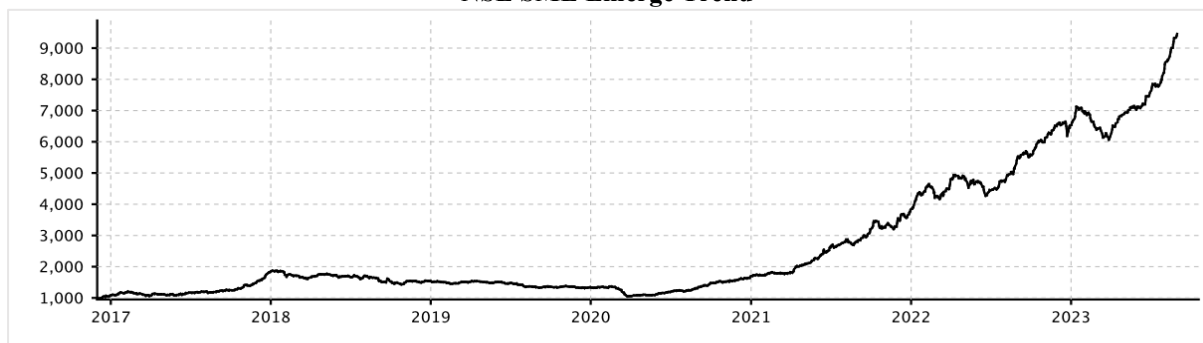
BSE SME Statistics

| Performance Indicator | Figures |
|---|----------------------|
| No. of Companies Listed on SME till Date (As of September 09, 2023) | 452 |
| Market Cap of BSE SME Listed Companies (as on September 09, 2023) | Rs. 2,78,980 Million |
| BSE SME companies migrated to the BSE Main Board in FY23 | 33 |
| Number of Companies migrated on main board (As of September 09, 2023) | 179 |

Source: BSE

Nifty SME EMERGE, launched in November, 2017, reflects the performance of a portfolio of eligible small and medium enterprises that are listed on NSE EMERGE Platform. The index constituents are weighted based on free float market capitalization. As on March 2023, the index has witnessed price return of 39.49% (since inception) and has raised funds more than Rs. 51,300 million.

NSE SME Emerge Trend



Source: NSE

NSE SME Emerge at a Glance

| Performance Indicator | FY21 | FY22 | FY23 |
|---|------|------|------|
| Number of companies listed on SME EMERGE (cumulative) | 216 | 247 | 309 |

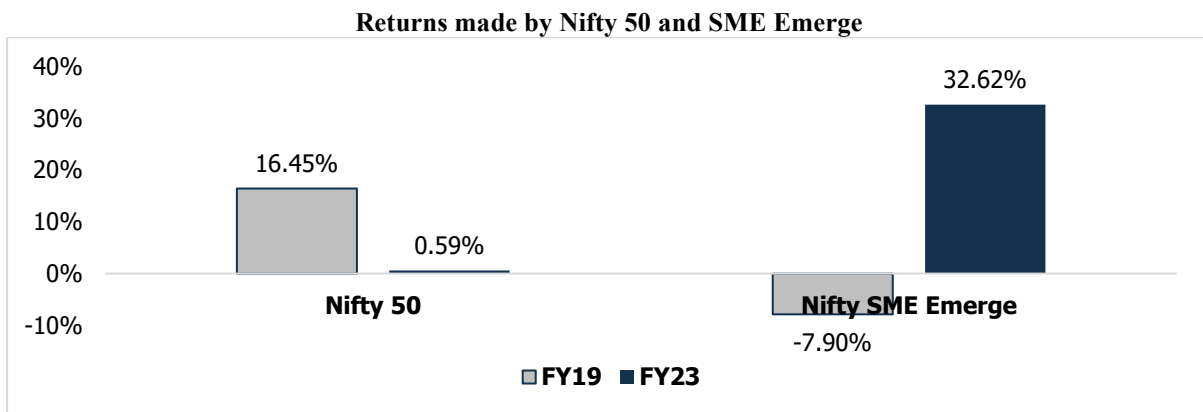
| | | | |
|--|-------------------|---------------------|----------------------|
| Number of SMEs listed in FY23 (new listings) | 8 | 31 | 62 |
| Mobilization of capital through SME IPOs | Rs. 794.7 million | Rs. 5,035.7 million | Rs. 13,302.4 million |
| Number of Companies migrated on main board | 39 | 33 | 25 |

Source: NSE

Returns on SME Emerge vs Nifty 50

The SME Emerge index in the post- covid era delivered solid return of 32.62% in FY23 as compared to -7.90% in FY19. Post covid-19, the reopening of industrial activities led to attractive valuation and returns.

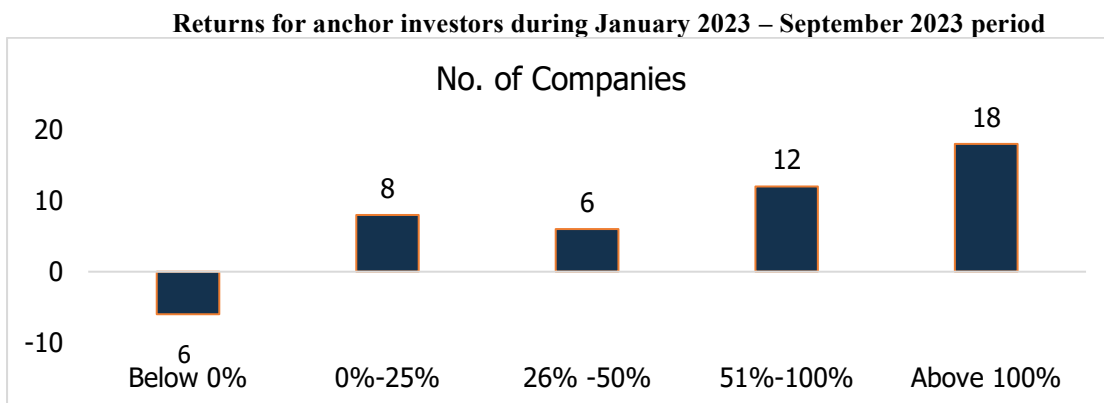
In comparison to the return of the SME Emerge, the returns from Nifty 50 was significantly lower in FY23 than FY19. FY23 witnessed muted gains for the mainboard companies due to the absence of sustained interest by foreign portfolio investors.



Source: NSE

Rising interest by anchor investors in SME IPOs

In today’s scenario, there is growing interest by anchor investors towards investing in SME companies. They play a huge role in ensuring the good momentum and success of the IPO.



Source: NSE, Company disclosures

Note: Based on sample set of 30 SME companies listed on NSE Emerge, as of October 05, 2023

Assuming anchor investors in our sample set continue to remain invested in respective scripts as on October 05, 2023

The investments in SME companies have climbed significantly. Most SME stocks have outperformed in terms of growth and resulted in good returns during the period January 2023 to September 2023.

As of October 05, 2023, about 12 SMEs have shown positive returns between the range of 51%-100% and about 18 companies have shown positive returns above 100%. The growing participation by these investors will support and promote the expansion in SME market.

Market makers for recently listed SMEs

The following are the list of market makers during the period April 2022 - September 2023

Market makers during H1 FY24 & FY23

| Name of the market maker | No. of companies | Name of the market maker | No. of companies |
|---------------------------------------|------------------|--|------------------|
| Nikunj Share Brokers Limited | 27 | SVCM Securities Private Limited | 4 |
| Sunflower Broking Private Limited | 25 | Holani Consultants Private Limited | 3 |
| Rikhav Securities Limited | 21 | Spread X Securities Private Limited | 3 |
| Shreni Shares Limited | 17 | Kantilal Chhaganlal Securities Private Limited | 2 |
| Gretex Share Broking Limited | 16 | Khambatta Securities Limited | 2 |
| Hem Finlease Private Limited | 15 | Prabhat Financial Services Limited | 2 |
| NNM Securities Private Limited | 9 | Swastika Investmart Limited | 2 |
| Share India Securities Limited | 8 | Ajcon Global Services Limited | 1 |
| Aryaman Capital Markets Limited | 7 | Alacrity Securities Limited | 1 |
| Hem Securities Limited | 7 | Asnani Stock Broker Private Limited | 1 |
| Econo Broking Private Limited | 6 | BHH Securities Private Limited | 1 |
| SS Corporate Securities Limited | 6 | Choice Equity Broking Private Limited | 1 |
| Beeline Broking Limited | 5 | Nirman Share Brokers Private Limited | 1 |
| Pure Broking Private Limited | 5 | R.K.Stock Holding Private Limited | 1 |
| Giriraj Stock Broking Private Limited | 4 | Rainbow Securities Private Limited | 1 |
| SMC Global Securities Limited | 4 | Sernet Financial Services Private Limited | 1 |

Source: Industry sources

Market Returns from all listed SMEs till date

SME Companies Returns

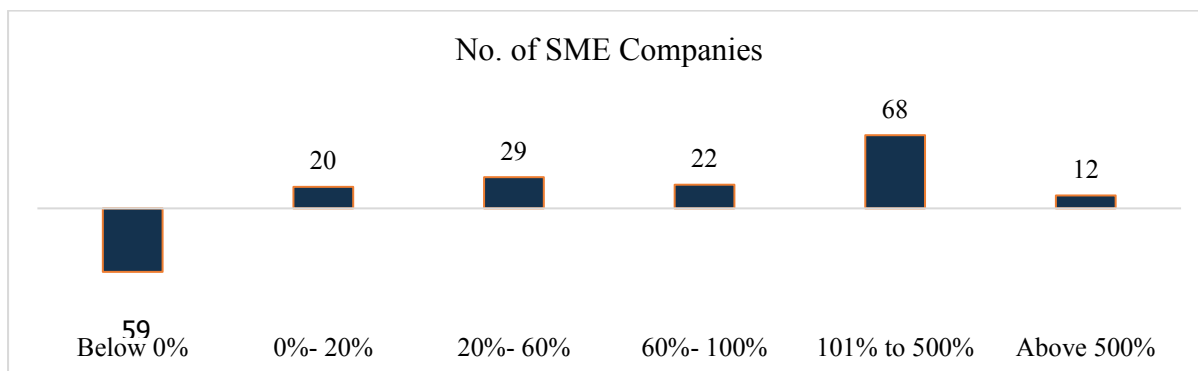
| Parameter | No. of SME Companies |
|-------------------------------|----------------------|
| Positive return since listing | 151 |
| Negative return since listing | 59 |
| Total | 210 |

Source: NSE, CareEdge Research

The above data is as per the sample taken from NSE in September, 2023

Since the listing date till October 05, 2023, 51 of the 210 SME enterprises listed on the SME Emerge platform delivered a positive return, while the stock prices of 59 SMEs generated a negative return. As of October 05, 2023, 29 firms had positive returns between the range of 20%-60%, 22 companies had positive returns between the range of 60%-100%, and about 68 companies had positive returns between 101%-500%. Many SME IPOs performed well during this time period. The SMEs' plan to invest in its subsidiary, satisfy working capital needs, pay off some company-secured borrowings, and use the remaining funds for general business increased investor trust.

Returns of all listed SMEs on NSE Emerge



Source: NSE

Note: Returns analyzed from the listing date of the company till October 05, 2023

SEBI Regulations

SEBI issued various guidelines for market makers. The first set of guidelines was introduced in April 1993 (vide circular No. SMD/SED/93/11362) for the Stock Exchanges of Bombay, Calcutta, Delhi, and Madras. To enhance the integrity, transparency, and efficiency of the operations of the securities market, SEBI came up with certain modifications in the guidelines. The same were issued on Jan 2000, April 2010, and Nov 2012, which stated regulations for market makers for having nationwide trading terminals for SMEs, setting trading platforms for SMEs etc.

The guidelines (issued in Nov 2012) to be followed by the market makers include-

- To make applicable-limits on the upper side for market makers during the making process taking into consideration the issue size in the following manner -

| Issue Size | Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size) | Re-entry threshold for buy Quotes (including mandatory initial inventory of 5% of issue size) |
|------------------------------------|---|---|
| Upto Rs. 200 Million | 25% | 24% |
| Rs. 200 Million to Rs. 500 Million | 20% | 19% |
| Rs. 500 Million to Rs. 800 Million | 15% | 14% |
| Above Rs. 800 Million | 12% | 11% |

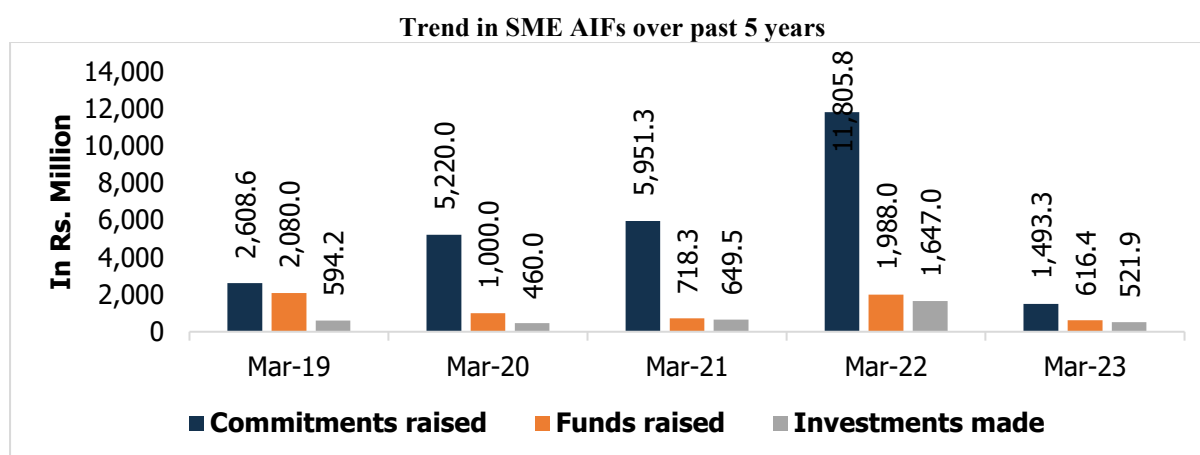
- While managing inventory during the process of market making, some of the pointers to be abiding by include: exemption from threshold to be applicable for the first three months, two-way quotes to be resumed the moment inventory reaches the prescribed re-entry threshold, and no threshold or exemption on the downside (in the view of market maker obligation).

Key Growth Drivers –

The SME sector is the driving force of the Indian economy and has major potential to drive industrialization across the economy. The sector faces a number of challenges, especially having limited access to finance. With the introduction of the SME platform, companies are now able to raise funds from the public. Since the liquidity in the trades of SMEs is comparatively lower, market makers play a crucial role here. They inject liquidity and determine fair market prices.

Further, the SME platform witnessed a 79% (in FY23, y-o-y basis) rise in the number of IPO issues. The addition of a number of SME issues demonstrates a major ask for the market makers. Further, SEBI being a regulator, ensures extensive reforms to maintain uniformity and healthy competition and to avoid market manipulations, thus, leading to an active involvement of market makers.

- Investment opportunity: There is huge potential for market makers in terms of increasing trading activities, thereby facilitating liquidity in the market. Recently, the demand for investing in SME IPOs has been growing owing to the strong listing gains. Market makers continuously engage in transactions of buying and selling of securities and get benefited from the increasing trading volumes which further leads to increase in revenue for them.
- Investment and wealth opportunity through SME AIF: The trend in SME AIF's have been rising over the years. As of Mar-23, the commitments raised were Rs. 1,493.3 million, the total funds raised were Rs. 616.4 million, and the total investments made were Rs. 521.9 million. It is expected that Government programs like tax benefits for SME AIF investors, rising investor demand, and overall economic growth are anticipated to promote expansion of SME AIFs.



Source-SEBI, CareEdge Research

Key Challenges

With the emerging digital space, the key challenges for the market makers consists of-

- Revamp of operational infrastructure (such as Cloud-based SaaS platforms, more inter-connected systems and greater level of automation) in the post-trade space due to volume increase.
- Contend with regulatory and client demand for faster settlement

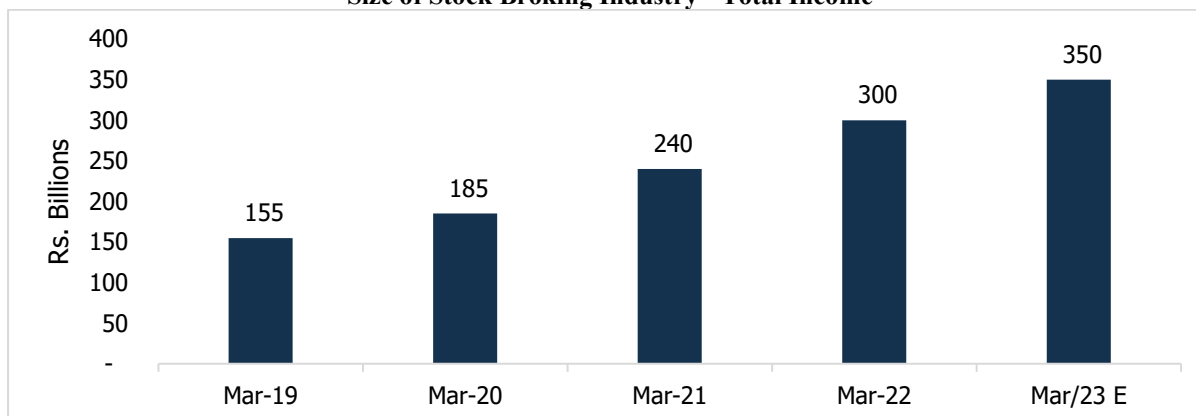
STOCK BROKING

Introduction to Stock Broking Industry

Indian stock broking industry is the oldest trading industry that has been around even before the establishment of the Bombay Stock Exchange (BSE) in 1875. Despite passing through several changes in the post-liberalization period, the industry has found its way towards sustainable growth. It has undergone developments over several years in terms of yields, products and customer services. In the initial phase, Indian brokers were to be divided into two categories – bank-led brokers and nonbank-led brokers. The majority of these brokerages were full-service brokers with services spanning from providing a platform for trading, settlement services, investment advisory (research), investment banking and wealth management.

With the progress made in the broking sector, the trading process, which used to be cumbersome and expensive, has transformed for the better. Anyone with a mobile device and internet connection can now open a broking account and trade without any human interface. Technology has also significantly brought down the cost of conducting business as players need not open branches or recruit sales personnel. This has helped brokerage firms to remain extremely profitable despite a sharp reduction in fees charged. In the current market scenario, pricing has ceased to be a differentiator with consumers increasingly choosing brokerages based on the quality of their service and conveniences they offer.

Size of Stock Broking Industry - Total Income



Source: CareEdge Research Estimates

The Indian broking industry is very fragmented with a large number of participants. There are over 146 stockbrokers registered with the National Stock Exchange (NSE) as of 31st July 2023. There are 1,295 trading members in the equity segment registered with BSE as of 11th September 2023. Many of them may be proprietary desks. Still, a large number of brokers offer trading services to customers. The stock brokerage industry in India managed to earn an income of more than Rs. 300 billion in FY22. CareEdge Research estimates that in FY23 the industry's total income is likely to have reached around Rs. 350 billion.

Further, capital markets-related entities have benefitted in the last few years, as equity markets have given investors healthy returns. Corporations are also tapping into the growth of capital markets by raising capital through equity and debt issuances.

Moreover, with the increasing importance of technology, customers are provided more and more means to access information and make active decisions based on the fast-paced information availability. The systems are ever-evolving and have become quick and robust. In order to stay relevant and increase the market share, many brokers have heavily invested in infrastructure. Their IT systems have transformed from legacy systems to modern-day agile, adaptive and lean architectures. The stock market industry is likely to see further development in terms of market participants as well as the quantum of trade value.

Services Provided By Stock Broking Companies

Broking Services

A broker is an individual or firm that acts as an intermediary between an investor and a securities exchange. Because securities exchanges only accept orders from individuals or firms who are members of that exchange, individual traders and investors need the services of exchange members. Brokers provide that service and are compensated in various ways, either through commissions, fees or through being paid by the exchange itself. Investors trade in equity in the cash-delivery, cash-intraday, futures and options, and indices-derivatives segments through various order types, including market orders, stop-loss orders, and valid-till-cancelled orders.

i) Products: The broking business primarily comprises broking services that offer retail clients trading in equities, equity derivatives, commodities and currency derivatives. The products for broking services for clients to trade in are as follows:

- Equities: Stocks listed on BSE and NSE.
- Equity Derivatives: Futures and options related to indices and stocks listed on the Stock Exchanges.
- Currency: Derivatives and futures and options in U.S. Dollars, Euros, British Pounds, and the Japanese Yen.
- Commodities: Commodities futures and options listed on MCX and NCDEX.

ii) Client Acquisition: The broking business is anchored by a retail client. Acquisition of clients is done either directly by the broking firm itself or through its exclusive sub-broker network. This may be done through organic leads, paid leads or dedicated sales teams through both online and offline channels.

iii) Platforms: Broking services are provided through various web, digital and exe. platforms. Almost all broking companies have their websites on which clients do trading on the stock market. Nowadays, mobile applications have also become a necessary platform for all brokers as people prefer trading in stock through their smartphones.

Research Services

Broking companies have a dedicated research team that publishes research reports on a daily, weekly and monthly basis for their clients, to enable them to make informed investment decisions across equity, commodity and currency segments.

Investment Advisory

Brokers provide investment advisory services to their retail clients with customized investment recommendations that assist their clients in achieving their investment goals across various investment avenues such as equities, debt, currency, commodities, derivatives, mutual funds and insurance products.

Investor Education

The website of various broking companies is a knowledge centre that aims to empower investors, including their clients, with an understanding in respect of trading and investments products.

Other Financial Services: In addition to broking and advisory services, various brokers also provide the following financial services that enable their clients to achieve their financial goals:

- **Margin Trading Facility:** They provide a margin trading facility to the clients for leveraging their eligible collaterals by funding their requirements on the cash delivery segment of equities. Such funding is subject to exposure against margins that are mandated by the stock exchanges, with the securities forming a part of the collateral for such funding.
- **Distribution:** They undertake the distribution of third-party financial products such as mutual funds, and health and life insurance products, according to their clients' requirements. Such distribution is undertaken through both offline channels and digital platforms.
- **Loans against shares:** Few broking companies, which are registered as NBFC, provide loans against shares to their retail clients.

Digital Trading Platforms provide Brokerages with Enhanced Scalability

With the domestic brokerage industry evolving, various brokers distinguish themselves from others in terms of their service offering to the customers including lower fees, lower maintenance charges, faster turnaround times for account opening, better security features, faster access to systems, etc.

In addition, the evolution of technology has helped them further penetrate their target customer segment faster. It offers the ease of scalability, which reduces their operating cost per customer and improves their profitability. Facilities supplementing mobile-based trading, such as live TV, advanced research reports, push notifications, enhanced price discovery settings, etc., help enhance the user experience for their customers helping them with better retention.

With the advent of modern platforms, brokers have put in place infrastructure that lowers the variable operating cost per customer considerably due to its scalable nature. The same platforms that cater to existing clientele can scale up to accommodate multiple new users. This helps them price their offerings lower and, in many cases, charge fixed transaction-based fees or even charge no fee for delivery-based transactions.

Various Services offered to a Diverse Set of Customers

These brokerages further offer services to either individuals or even institutions, which usually perform high-value transactions, requiring higher technical support such as high-frequency data, algorithm implementation, and testing capabilities, co-locations, trade automation, etc., which, with the better infrastructural setup, becomes easier to implement and offer.

Key Differences between Institutional and Retail Broking

| Parameter | Institutional broking | Retail broking |
|---------------------------------------|---|---|
| Number of investors | Low | High |
| Average ticket size | High | Low to moderate |
| Brokerage fee | About 20-30 bps lower than retail | Rates depend on volumes and customer's relationship with the broker |
| Type of trades | Mostly block trades | Small to moderate quantities |
| Technical support | Requires high technical support, systems like algorithmic trading, co-locations, automation of trades, etc. | Requires low to moderate technical support; some retail investors also engage in facilities such as algorithmic trading, etc. |
| Industry analysis | Requires high level of industry and company analysis | May or may not require company analysis |
| Frequency of trades | Low | High to low |
| Bargaining power with brokerage house | High | Low |

Source: Industry Sources, CareEdge Research

Registered Stock Brokers in India

As of 31st July 2023, there are over 146 stockbrokers registered with National Stock Exchange (NSE). As of 11th September 2023, there are 1,295 trading members are registered with BSE in equity segment.

Top 15 stock brokers as of 31st July 2023

| Sr. No | Name of Stockbroker | No. of Active Clients | % Market Share |
|--------|--|-----------------------|----------------|
| 1 | ZERODHA BROKING LIMITED | 63,24,623 | 19.8% |
| 2 | NEXTBILLION TECHNOLOGY PRIVATE LIMITED | 59,88,584 | 18.8% |
| 3 | ANGEL ONE LIMITED | 45,54,559 | 14.3% |
| 4 | RKSV SECURITIES INDIA PRIVATE LIMITED | 21,45,881 | 6.7% |
| 5 | ICICI SECURITIES LIMITED | 20,05,773 | 6.3% |
| 6 | HDFC SECURITIES LTD. | 10,16,493 | 3.2% |
| 7 | KOTAK SECURITIES LTD. | 9,53,734 | 3.0% |
| 8 | MOTILAL OSWAL FINANCIAL SERVICES LIMITED | 7,76,919 | 2.4% |
| 9 | PAYTM MONEY LTD. | 6,60,055 | 2.1% |
| 10 | SHAREKHAN LTD. | 6,47,062 | 2.0% |
| 11 | SBICAP SECURITIES LIMITED | 5,98,237 | 1.9% |
| 12 | 5PAISA CAPITAL LIMITED | 5,16,236 | 1.6% |
| 13 | IIFL SECURITIES LIMITED | 4,43,967 | 1.4% |
| 14 | AXIS SECURITIES LIMITED | 3,28,513 | 1.0% |
| 15 | GEOJIT FINANCIAL SERVICES LIMITED | 2,32,652 | 0.7% |

Source: NSE, CareEdge Research

Value-Added Service

To position themselves better, brokers often offer enhanced graphical user interfaces with modern charting techniques, strategy-building tools to trade in derivatives, offer margin and credit facilities, high-frequency data feed, etc. These modern-day facilities require significant infrastructure and technological capability in which these players have actively invested.

While players have scaled up their technology infrastructure significantly, additional expenses, such as manpower, branches, and costs associated with scaling up in newer geographies, etc., have come down because of the

digitalization of their operations and this has encouraged several broking entities to ramp up their technology investments to survive in the market.

Additionally, stock brokers also guide their clients in making informed decisions by providing research and analysis on different securities, including stocks, bonds, and mutual funds. Stock brokers can also manage investment portfolios on behalf of their clients.

Gaining Share of Internet and Mobile Trading on Account of Convenience

Over the past decade, the penetration of internet trading in the country has grown steadily with an increased number of active registered subscribers. Internet trading volumes have been on the rise since the last decade. According to the annual report of the Securities and Exchange Board of India (SEBI), the share of internet-based trading (IBT) in the equity derivatives segment of NSE was 9.6% as of March '23 from an earlier 10.5% as of March '22. The share of mobile trading in the equity derivatives segment of NSE reached 12.8% as of March '23 from an earlier 9.6% as of March '22.

Key factors aiding this growth are:

- **Growing Mobile Usage and Penetration:** India's broadband subscribers have increased significantly over the past decade. As of 30th June 2023, the total broadband subscribers crossed over 830 million. Of this, nearly 800 million subscribers were wireless/mobile subscribers.
- **Growing Smartphone Usage:** With an ever-growing user base of smartphones, the reach of the internet is also growing significantly. Moreover, with the cheaper availability of data, increasing penetration of smartphone devices, easy information dissemination, growing investor education initiatives from market participants, and access to social media and informative websites, investors are increasingly becoming better equipped to trade and invest in the equity markets.
- **Lower Brokerage Fees:** Retail traders trading online get discounts in brokerage. Full-service brokerages have also adopted internet trading models to become leaner.
- **Flexibility and Convenience:** Internet trading provides significant control over transactions and faster turnaround (within seconds) and reduces latency with the time required for calling a broker and placing the order.
- **Handy Tools:** Multiple tools, such as stock screener, yield calculator, technical indicators, charting tools, etc., are offered to investors.
- **Real-Time Data and News Feed:** Most key brokerages provide subscribers with real-time data and live news feeds. They also provide facilities such as advisors and recommendation reports.

Furthermore, most brokers are now using digital platforms, in addition to their existing physical footprint. It helps them better attract savvy customers who are willing to pay a premium for additional services of higher quality using technology, automation, and value-added services with higher product safety. This helps them garner higher assets from clients and obtain additional revenue through alternative means such as additional fees-based, distribution, and interest income.

Service Diversification and its Impact on Revenue of Brokerage Firms

Most large players have diversified into related fee-based activities such as mutual fund distribution and capital markets lending to diversified income sources. However, some have amplified their focus on growing their non-capital market credit books. In the long term, their success in the lending business would be dependent on their ability to effectively manage the liability side of their book and risk. There is also a set of non-bank and non-NBFC brokers that exclusively focus on broking and distribution business.

Smaller entities in the equity broking business remain niche players with limited diversification and hence are more vulnerable to market volatility. These entities typically benefit from strong customer relationships. Nevertheless, given the shift in market share towards larger brokerages, they will need to continuously evolve and control their cost structure to be able to manage profitability in the current market environment.

Many large brokers offer several plans to their retail clients (for example, flat brokerage plan vs. variable brokerage plan where traded turnover and brokerage rates are inversely related). Institutional brokerage rates are far lower than the retail rates and mainly depend on the quality of research reports and trade execution capability provided.

Key growth Drivers

Low Broking Charges and the Advent of Technology-Abundant Players

The entry of discount brokers and foreign banks has led to increased competition in the market. This has led to broking firms lowering their brokerage charges which has made broking cost effective for clients. Low brokerage charges of brokerage firms have primarily driven the number of clients in stock broking firms.

Brokers that have technological infrastructure offer more convenient and quick services like the use of online demat accounts. With the rising mobile and internet penetration of clients, online transactions have increased significantly. This has further eliminated the paperwork and streamlined the process. With the brokerage process becoming quicker and more efficient, the brokerage cost has declined, leading to declined brokerage charges of customers.

Surging Demand for Financial Products

With the increased financial literacy and awareness about bank accounts and financial planning, the demand for financial products has seen a surge as people move away from traditional ways of saving, shifting to saving through financial assets. This shift will also contribute to the stock broking industry growth.

Increase in Trade volumes

Rapid advances in technology have reduced both transaction time and costs. At the same time, brokers have been able to improve their reach and increase penetration by investing in online trading platforms. Technological advancements along with a rapid increase in smartphone penetration have resulted in an increase in the trade volume for the stockbroking business.

Futures

Business Growth in Futures Segment

| Year | Index Futures | | Stock Futures | |
|--------|------------------|------------------------|------------------|------------------------|
| | No. of contracts | Turnover (Rs. Billion) | No. of contracts | Turnover (Rs. Billion) |
| Q1FY24 | 1,65,44,935 | 16,075 | 6,59,86,621 | 46,361 |
| Q1FY23 | 3,04,11,333 | 25,743 | 7,48,67,551 | 48,164 |
| FY23 | 10,47,37,382 | 95,207 | 28,41,26,341 | 1,90,723 |
| FY22 | 9,36,62,982 | 84,294 | 26,56,09,687 | 2,10,389 |
| FY21 | 12,75,99,626 | 90,476 | 25,28,30,922 | 1,80,984 |
| FY20 | 9,47,77,881 | 67,011 | 25,73,80,338 | 1,49,196 |

Source: NSE, CareEdge Research

During 2022-23, the turnover of index futures grew by 13% over 2021-22, while the turnover of stock futures dipped by nearly 9% over 2021-22 reaching around Rs. 190.7 trillion. In terms of quarterly turnover, there has been a 38% decline in Index futures and a 4% decline in stock futures in Q1FY24 over Q1FY23.

Options

Business Growth in Options Segment

| Year | Index Options | | Stock Options | |
|--------|------------------|------------------------|------------------|------------------------|
| | No. of contracts | Turnover (Rs. Billion) | No. of contracts | Turnover (Rs. Billion) |
| Q1FY24 | 15,43,60,65,671 | 30,302 | 22,82,48,713 | 2,238 |
| Q1FY23 | 7,47,26,34,038 | 23,074 | 19,44,25,238 | 2,221 |
| FY23 | 40,54,19,32,269 | 1,09,556 | 83,49,73,590 | 9,327 |
| FY22 | 17,62,33,55,691 | 58,423 | 67,75,12,461 | 10,388 |
| FY21 | 7,82,40,35,680 | 26,294 | 33,03,94,648 | 5,794 |
| FY20 | 4,58,66,92,584 | 10,825 | 19,83,77,569 | 2,290 |

Source: NSE, CareEdge Research

During 2022-23, the turnover of index options grew significantly by nearly 88% y-o-y reaching around Rs. 109.6 trillion while the turnover of stock options declined by around 10% y-o-y reaching around Rs. 9.3 trillion. In terms of quarterly turnover, there has been 31% growth in Index options and around 1% decline in stock futures in Q1FY24 over Q1FY23.

Commodity Derivatives

Commodity Derivatives markets are a good source of critical information and indicators of market sentiments. Since commodities are frequently used as input in the production of goods or services, uncertainty and volatility in commodity prices and raw materials make the business environment erratic, unpredictable, and subject to unforeseeable risks.

Commodity Derivatives Segment

| Year | Commodity Futures | |
|--------|-------------------|------------------------|
| | No. of contracts | Turnover (Rs. Million) |
| Q1FY24 | 48,047 | 22,368 |
| Q1FY23 | 67 | 34 |
| FY23 | 267 | 141 |
| FY22 | 31,059 | 22,731 |
| FY21 | 56,083 | 54,837 |
| FY20 | 1,45,554 | 63,623 |

Source: NSE, CareEdge Research

For the past three financial years, the commodity futures segment saw de-growth on account of muted demand for specific commodities such as copper, soybean, zinc, nickel, aluminium, and others, alongside commodity prices amid inflation and the impact of the ongoing geopolitical tensions in the second half of FY22. This trend has continued during FY23 as the commodity prices have surged and the uncertainty surrounding the geopolitical tensions between countries has significantly impacted the overall stability of the global economy.

During the first quarter of FY24, the commodity futures segment saw a significant surge in the number of contracts and turnover value as compared to the first quarter of the previous year. This growth is supported by moderation in commodity prices of specific commodities such as copper, soybean, and wheat compared to Q1FY23.

Currency Future

A currency future, also known as FX future, is a futures contract to exchange one currency for another at a specified date in the future at a price (exchange rate) that is fixed on the purchase date.

CD Segment

| Year | Currency Futures | | Currency Options | | |
|---------|------------------|------------------------|------------------|---------------------------------|--------------------------------|
| | No. of contracts | Turnover (Rs. Million) | No. of contracts | Notional Turnover (Rs. Million) | Premium Turnover (Rs. Million) |
| Q1FY24 | 21,28,71,543 | 1,78,923 | 89,79,83,993 | 7,39,586 | 921 |
| Q1FY23 | 28,02,45,441 | 2,19,993 | 58,43,82,175 | 4,51,825 | 774 |
| 2022-23 | 1,24,14,22,291 | 10,11,566 | 3,45,61,25,588 | 27,97,115 | 4,754 |
| 2021-22 | 90,81,93,503 | 7,05,692 | 1,88,36,85,344 | 14,11,695 | 2,499 |
| 2020-21 | 73,67,40,585 | 5,71,782 | 85,89,51,441 | 6,38,239 | 1,476 |
| 2019-20 | 65,42,63,323 | 4,84,316 | 67,55,66,231 | 4,81,395 | 1,320 |

Source: NSE, CareEdge Research

Interest Rate Futures

An Interest Rate Futures contract is "an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today." The underlying security for Interest Rate Futures is either a Government Bond or a T-Bill. Exchange-traded Interest Rate Futures on NSE are standardized contracts based on 6-year, 10-year and 13-year Government of India Security (NBF II) and 91-day Government of India Treasury Bill (91D TB). All futures contracts available for trading on the NSE are cash-settled.

Interest Rate Derivatives

| Year | Volume | Turnover (Rs. Billion) |
|--------|-------------|------------------------|
| Q1FY24 | 3,60,484 | 73 |
| Q1FY23 | 3,55,063 | 66 |
| FY23 | 13,70,182 | 263 |
| FY22 | 13,53,692 | 264 |
| FY21 | 48,00,806 | 974 |
| FY20 | 1,77,27,915 | 3,608 |

Source: NSE, CareEdge Research

The volume of trades in the interest rate derivatives segment had been on a declining trend for three financial years ending FY22, the decline was on account of fluctuations in interest rates that subsequently led to a decline in turnover. During FY23, although the volume of contracts slightly increased, the turnover almost remained flat. However, during Q1FY24, the interest rate derivatives segment saw slight growth in Q1FY24 over Q1FY23, this is mainly on account of RBI's decision to pause interest rate hikes in order to curb inflationary pressures.

Major Challenges

Lower Broking Margins

There is tremendous competition for Indian Full-service Brokers from Discount Brokers and Foreign Banks. Discount brokers give a maximum of Rs.20 trade for execution, which puts significant price pressure on full-service brokers. The broking margins are so slim that the companies struggle to meet their fixed costs with any variable volume revenue models in the industry. This puts a lot of pressure on brokers to encourage "churning" or over-trading, which makes retail investors lose money in the long run.

The easiest way for a retail investor to make money is to stay invested in a well-diversified basket of good-quality stocks over a long period. However, foreign banks spoil the party further by bringing a large volume of overseas clients, who trade a large number of Indian shares and move the price up or down at their own whims and fancies.

Lower Retail Investor Participation

The traditional investment preference of Indians in real assets like gold or real estate has not helped the industry as a whole. After several investor awareness sessions are held by brokers/NSE, people are gradually warming up to the idea of equity investing. However, the pace of people adopting financial assets is still low.

The past scams, lack of understanding of volatility, and the cultural obsession with gold land have not helped fellow Indians in taking a meaningful pie of shares. Finally, the unfortunate reality is that foreign investors are harbouring India's growth story (and rising stock market) due to the lack of Indian retail participants.

Increasing Costs and Additional Investments

Stock markets are always evolving. They add newer products and technologies and provide newer opportunities to trade. Brokerages need to invest in newer technologies trading platforms and algorithms continuously or risk-losing trading clients. For example, the addition of commodity or currency segments involves additional expenses for brokers to enable the trading and settlement infrastructure for the new products.

Likewise, the adoption of mobile technologies involves investment in applications and portfolio management systems which further increase costs. Besides, brokers need to pay their staff exchange memberships and other infrastructure in order to make a profit.

SWOT Analysis

| Strength | Weakness |
|---|---|
| Growing participation of retail investors Increasing penetration of digital trading Robust and strong regulatory framework Diverse investment products | High costs in terms of fees and taxes levied on trading profits High concentration of small and medium investors Uncertainty surrounding the global economy |

| Opportunity | Threat |
|---|--|
| Development of innovative products and services Financial inclusion Marketing sustainable investing options | Rising competition from new players Volatility in the market may affect investor's returns Rising cybersecurity risks with growth technological adoption |

Industry Outlook for Stock Broking Industry

Brokerage firms in India have seen the opportunity for hassle-free trading using design and technology to reduce costs for their customers. Low-cost trading, deeper penetration of smartphones, faster internet, and simplification of trading applications will make it possible for an increasing percentage of people across age groups to trade with ease. Technology-based firms in the financial services space have empowered customers with tools and insights for savvy investment decisions.

The Indian stock broking industry is expected to clock healthy growth on an aggregate basis, small-and-mid-sized brokerage companies are expected to face greater operational and funding challenges, which could have a bearing on their performance in terms of growth and profitability. CareEdge Research estimates the total income of the stock broking industry is likely to have reached around Rs. 350 billion in FY23. Also, as per our research, the total income of the stock broking industry is likely to get close to or cross 1,000 billion by 2030.

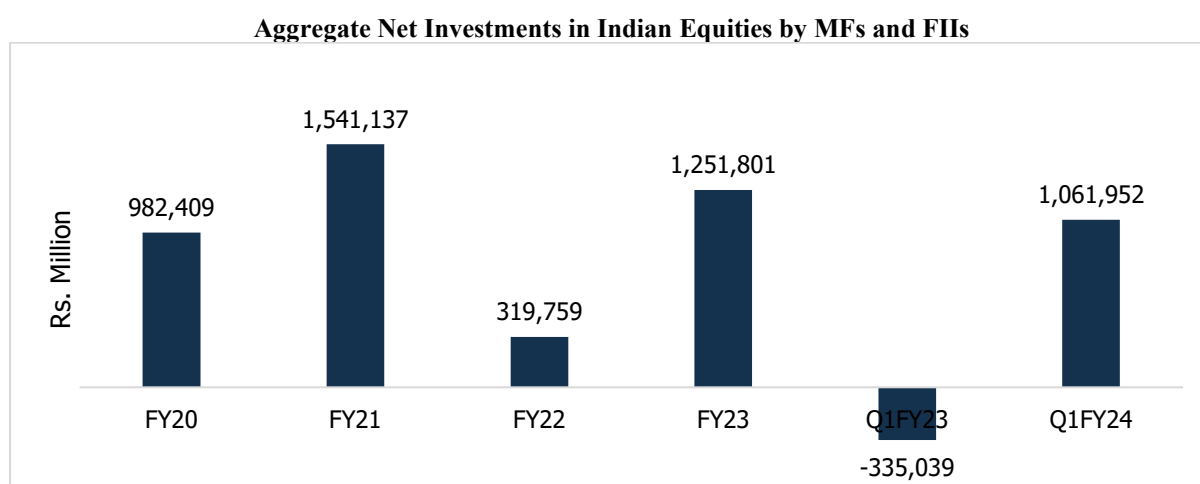
This growth is likely to be influenced by the ongoing geo-political tensions between Russia-Ukraine, which have impacted various sectors such as the oil, automobile, edible oil, and agriculture sectors apart from the financial market. Further, the rise in interest rates by central banks of various countries to combat inflation is likely to affect investor sentiments, thereby further impacting the growth of the stock market industry.

Furthermore, new client additions in the industry are expected to remain healthy supported by the largely untapped market in the retail segment, coupled with favorable demographics, rising financial literacy, and increasing smartphone/internet penetration. The trend of consolidation is expected to continue with smaller broking players ceding market share to more established broking entities.

Moreover, with increased awareness about investing, a shift in attitude towards growing wealth over preserving wealth and advancement in technologies and large trading volumes, the domestic brokerage industry will display good growth in coming years.

INSTITUTIONAL TRADING

Size of Institutional Trading



Source: CMIE, CareEdge Research

Note: MFs- Mutual Funds, FIIs-Foreign Institutional Investors

Institutional investors can have a significant impact on financial markets. Institutional investors trade in large volumes which causes sharp movement in the price of securities traded. During FY23, while the net investments of mutual funds were significantly high, the net investments of FIIs were negative indicating no new purchases

and high sales of their investments in Indian equities. Overall, the net investment in Indian equities has seen good growth in FY23 and continues to grow in Q1FY24.

Key Growth Drivers of Institutional Trading

Economic Growth: India is among the fastest-growing economies in the world. With its rapid expansion and growth prospects the country continues to attract domestic institutional investors as well as foreign institutional investors.

Favorable Demographics: India's large, young and growing population, with a median age of 28 years old, represents a significant consumer base and potential investors, who are increasingly looking for ways to save and invest their money. India's demographic dividend and rising middle-class aspirations have contributed to the attractiveness of the Indian market.

Regulatory framework: The Securities and Exchange Board of India (SEBI) have introduced various measures with an aim to enhance market surveillance, provide investor protection, and corporate governance, thereby making India's financial markets more investor-friendly and transparent. The regulatory framework of the financial sector has aided in the creation of a more stable and predictable environment for institutional (domestic and foreign) investors.

Foreign Institutional Investors (FIIs): India has seen significant inflows of foreign institutional investment, including mutual funds, hedge funds, and pension funds. India's regulatory framework has made it easier for FIIs to participate in Indian markets by way of relaxation of FII regulations and the introduction of the Foreign Portfolio Investment (FPI) route. FIIs can provide substantial capital, global market exposure, and liquidity to Indian markets.

Development of Market Infrastructure: Market infrastructure plays a vital role in meeting the requirements of institutional investors by providing reliable and efficient trading platforms, settlement systems, and trading technology, that attracts institutional capital to India's markets. Development market infrastructure can also lead to increased liquidity and price discovery which can benefit all market participants.

Market Liquidity: Institutional investors often require sizable trading volumes to execute their strategies effectively and high liquidity in the markets aids institutional investors to carry out these trades at a low trading cost. High liquidity in the market enhances the experience of entry and exit for institutional participants.

Innovative Investment Products: India's financial markets are emerging and provide a variety of products to Institutional investors. A wide range of investment products such as equities, bonds, derivatives, and exchange-traded funds (ETFs), provides them with various opportunities to diversify their investments thereby making India's financial markets attractive for investments.

Key Challenges

Demand- Supply Dynamics: The dealings of institutional traders have a notable influence over the demand and supply of securities. Institutional traders move in hefty positions both long and short thereby constituting a large portion of the transactions in the stock market. Since they buy and sell large amounts of securities, they can greatly influence price dynamics in the market.

Market Impact/Risk: The large trades can have a significant impact on stock prices as the size of Indian market is relatively small as compared to markets on a global scale. Hence, its crucial for institutional traders to be vigilant about how they execute the orders in the market in order to minimize the costs due to market impact.

Risk Management Techniques: Its crucial to adopt and implement certain risk management techniques in such trading environment. Navigation of unique risks associated with the Indian market like currency risks, geopolitical risks, economic downturns, regulatory risks etc. needs to be done by institutional traders which sometimes is a challenge. Therefore, when making investment decisions, the adoption of right strategies and expertise plays a pivotal role.

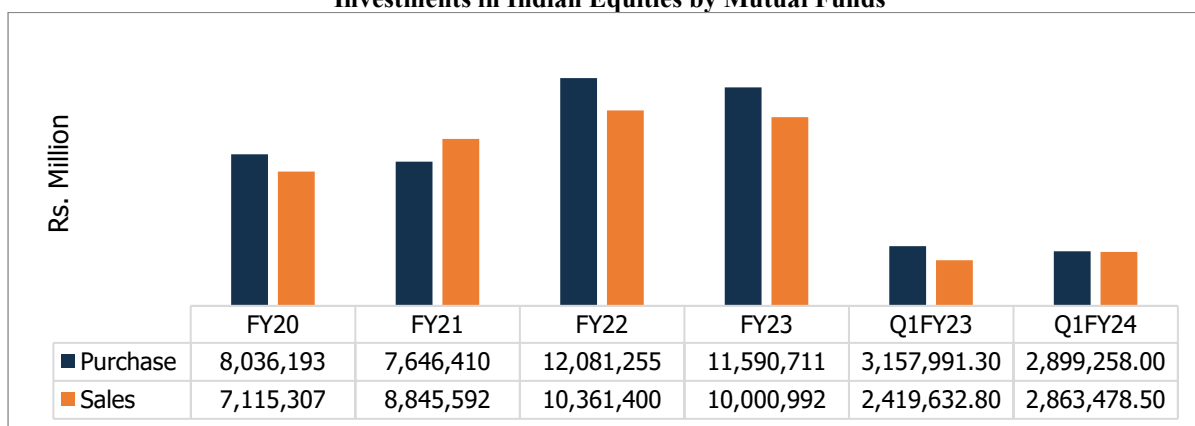
Competitive Pressures: The landscape of institutional trading is highly competitive. With more online platforms along with various facilities venturing in, the gap between the retail and institutional traders is getting narrowed gradually.

SWOT Analysis

| Strength | Weakness |
|--|--|
| Capital abundance nature of investment Expert knowledge of industry Increased emphasis on quality research and analytics | Institutional investors can have a significant impact on market prices Institutional investor strategies and access to non-public information can have ripple effects on the financial system |
| Opportunity | Threat |
| Ability to access better technology Introduction of customized products to meet the evolving needs of investors Institutional investors can aid in price discovery of securities | Market concentration by a few large investors can limit market participation of other small investors Institutional investors can lead to market volatility and systemic risk |

Trend Analysis of Institutional Trading

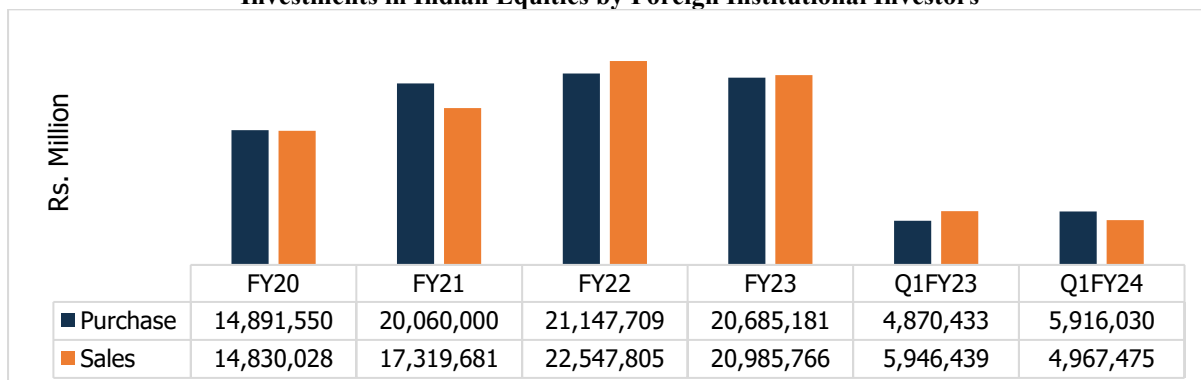
Investments in Indian Equities by Mutual Funds



Source: CMIE, CareEdge Research

In the financial year 2022, the markets began to recover with the resumption of economic activities and the correction of the market led to a rise in purchases. During FY23, amid geopolitical tensions and hikes in interest rates led to a lack of stability in the financial market and increased market fluctuations, the purchases declined. During the Q1FY24, while the purchases have continued to decline, mutual funds have been selling their investments in Indian equities on account of interest rate hikes that have impacted corporate earnings and uncertainty surrounding inflationary pressures.

Investments in Indian Equities by Foreign Institutional Investors



Source: CMIE, CareEdge Research

In FY21, investments in Indian equities by foreign institutional investors were at an all-time high over since 2017 on account of excess liquidity in the global financial system, high valuation of Indian equity markets and rise in global inflation. In FY22, investments in Indian equities by foreign institutional investors declined significantly amid rising expectations of US-fed rates to combat inflation and high volatility in the market led by the ongoing geo-political tensions in the later part of 2021-22. During FY23, investments by foreign institutional investors in

Indian equities continued to decline. This decline is mainly on account of currency volatility, rising inflation and fear surrounding the likelihood of global economy slipping into recession.

PEER COMPARISON

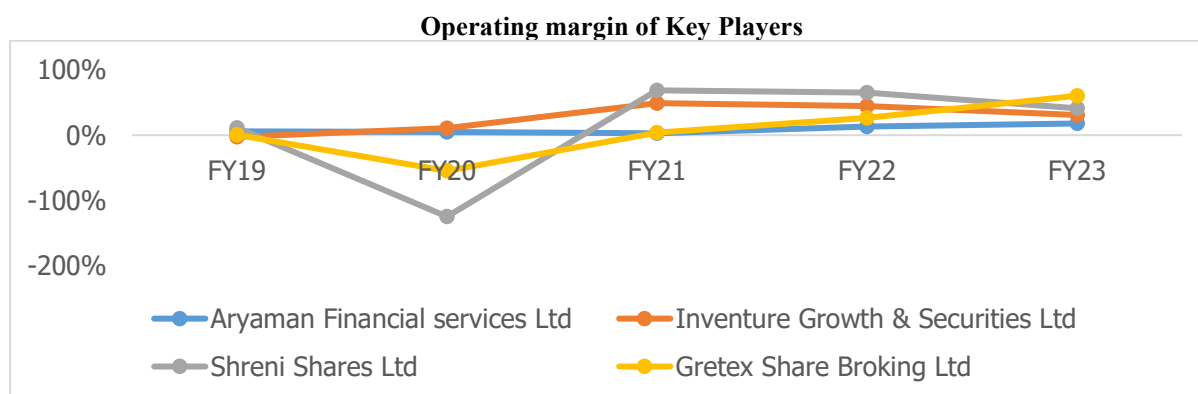
Peer Profile

| Company Name | About the Company |
|--|--|
| Gretex Share Broking Ltd | Gretex Share Broking Ltd was incorporated in 2010 and is a SEBI registered market maker and BSE/NSE registered stock broker. The company's changed its name from 'Sherwood Securities Pvt Ltd' to 'Gretex Share Broking Pvt Ltd' w.e.f 01.09.2017 and currently is known by the name 'Gretex Share Broking Ltd' since 04.09.2023. |
| Aryaman Financial Services Ltd | Aryaman Financial Services Ltd was listed on the BSE platform in 1995. It is a Category-I registered merchant banker with SEBI and provides a number of services like loan syndication, due diligence, equity issue management (IPO, FPO), etc. Aryaman Financial Services Ltd has two subsidiaries, Aryaman Capital Markets Ltd and Escorp Asset Management Ltd. |
| Inventure Growth & Securities Ltd | Inventure Growth & Securities Ltd was incorporated in 1995 and is engaged in the business of stock, currency and commodity broking. It also provides margin trading facility, depository services and distribution of mutual funds. The company is registered with SEBI under the Stock Brokers and Sub Brokers Regulation 1992. It is also a member of BSE, NSE, MCX, NCDEX and MSEI. The company has six subsidiaries as of date, namely: <ul style="list-style-type: none"> • Inventure Finance Private Limited • Inventure Commodities Limited • Inventure Wealth Management Limited • Inventure Insurance Broking Private Limited • Inventure Merchant Banker Services Private Limited • Inventure Developers Private Limited |
| Shreni Shares Ltd | Shreni Shares was originally known as Shreni Shares Pvt Ltd and was incorporated in 2009. The company's name was changed to Shreni Shares Ltd in May 2023. It is involved in providing financial solutions and is a SEBI-registered Category-I merchant banker. |

Financial Overview Peers

• Operating Profit Margin

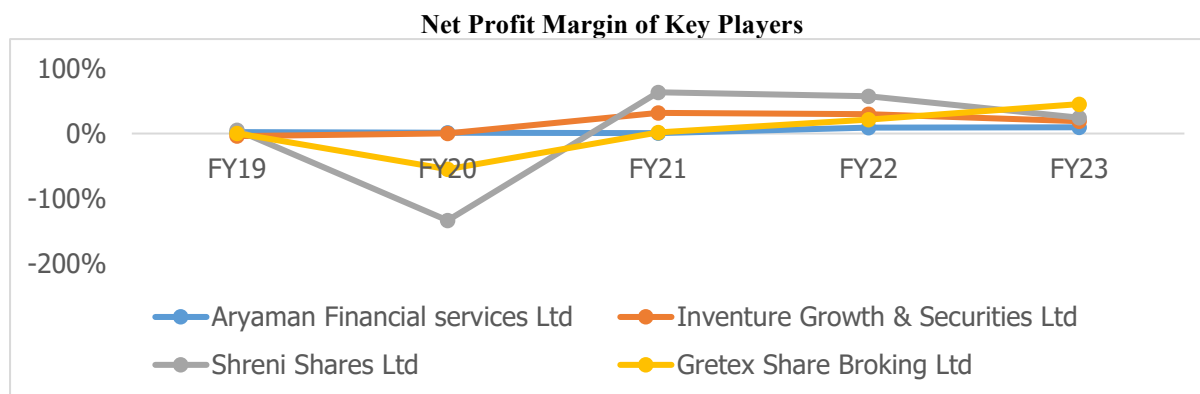
The operating profit, i.e. EBITDA of the companies have been in the range of -125% to 61% between FY19 and FY23. The lowest operating margin was recorded in the year in which Covid -19 pandemic hit the operations of the businesses. The businesses and the markets rebounded after the pandemic and companies have been recording strong operating margins. GSBL has been leading in the peer set by recording an operating margin of 61% in FY23 followed by Shreni Shares Ltd.



Source: Company reports, CareEdge Research

- **Net Profit Margin**

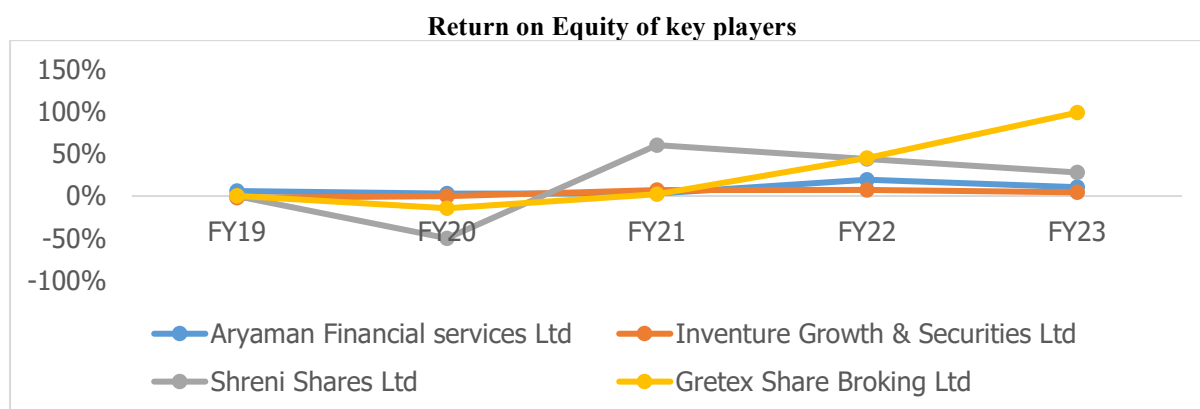
The net profit margins of the businesses had been under pressure in FY20 due to Covid – 19 pandemic. The financial services businesses were also hit due to decline in the stock broking activities and due to losses across global financial markets. The net profit margins were recorded in negative, at -134% in that year. However, there was a strong rebound in financial services in the following years. GSBL has recorded a led the net profit margin at 45% amongst its peers in FY23.



Source: Company reports, CareEdge Research

- **Return on Equity**

The returns to shareholders have been positive in the last three financial years. This is mainly due to increased activity in the financial services sectors led by IPOs, growth in stock broking business.

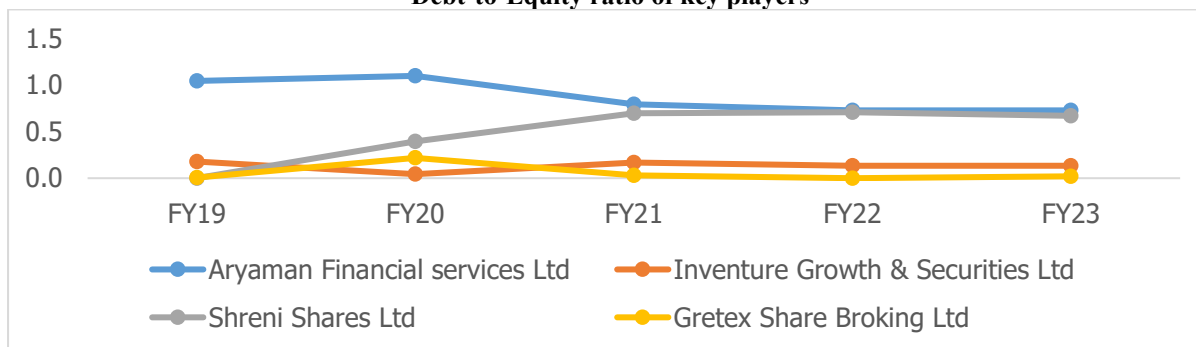


Source: Company reports, CareEdge Research

- **Debt-to-Equity ratio**

The debt-to-equity ratio for the peers has been in the 0.0 to 1.1 range. The debt of the companies is at an optimal range through the years. Since financial services companies are not very asset/machinery-intensive businesses, the lower debt-to-equity ratio range augurs well for them.

Debt-to-Equity ratio of key players



Source: Company reports, CareEdge Research

Key financials of players - FY23

| Particulars | Aryaman Financial services Ltd | Inventure Growth & Securities Ltd | Shreni Shares Ltd | Gretex Share Broking Ltd |
|--------------------------|--------------------------------|-----------------------------------|-------------------|--------------------------|
| Revenue (Rs. Million) | 535.5 | 488.1 | 205.4 | 1026.2 |
| EBITDA (Rs. Million) | 96.2 | 152.4 | 85.3 | 622.3 |
| EBITDA margin (%) | 18.0% | 31.2% | 41.5% | 60.6% |
| PAT (Rs. Million) | 51.4 | 92.6 | 50.6 | 464.3 |
| PAT margin (%) | 9.6% | 19.0% | 24.6% | 45.2% |
| Total Debt (Rs. Million) | 409.3 | 281 | 136.1 | 14.9 |
| Debt to Equity (times) | 0.7 | 0.1 | 0.7 | 0.0 |
| Return on Equity (%) | 10.5% | 4.5% | 28.0% | 99.0% |
| Net worth (Rs. Million) | 561 | 2087.7 | 203.6 | 700.8 |

Source: Company disclosures

About the Company

Gretex Share Broking Ltd ('GSBL') was incorporated in the year 2010. The company was registered as 'Sherwood Securities Pvt Ltd' and changed its name to Gretex Share Broking Pvt Ltd w.e.f 1st September 2017, the company is known as Gretex Share Broking Ltd since September 2023.

The company is a SEBI registered Market maker and a BSE/NSE registered Stock Broker that helps to facilitate buy and sell of securities in the market. GSBL has done Market Making for over 20+ companies as of September 2023 and is one of the top companies in market making in the country.

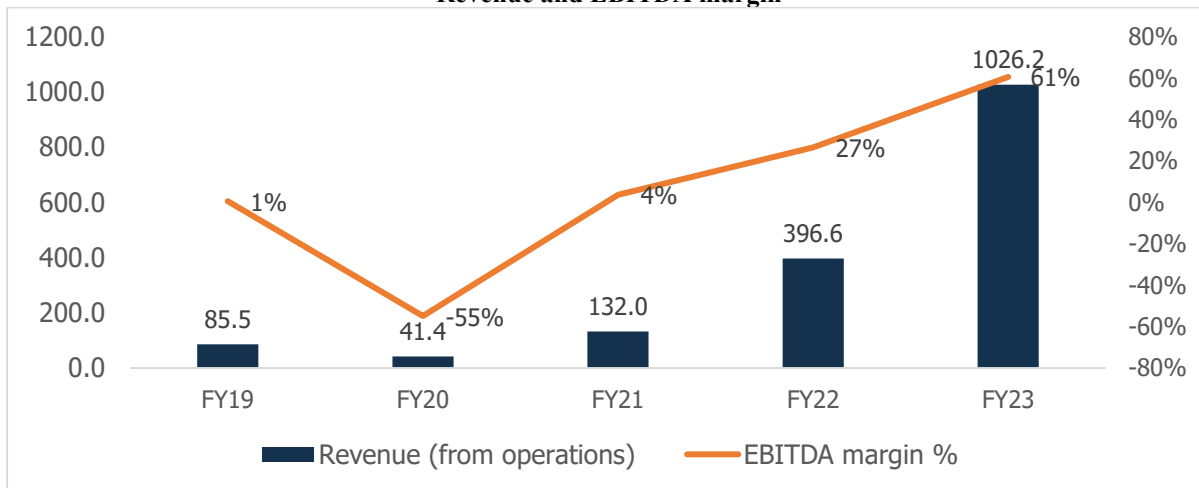
Gretex Share Broking Ltd is a subsidiary company of Gretex Corporate Services Ltd which provides a portfolio of services like Mergers & Acquisition, Valuation, ESOP advisory, etc. It is also a SEBI registered category-I Merchant Banker. Gretex Corporate Services Pvt Ltd holds 64.60% stake in the stock broking company. The company has 1 wholly owned subsidiary – Signageus Value Advisors Private Limited.

Financial Overview:

- Revenue and Operating Profit**

The revenue graph of GSBL shows a robust growth in the past three financials years. Except witnessing a dip in their revenue in the FY20, the CAGR of revenue is 86% between 2019 and 2023. Over the year's revenue from brokerage and marketing fees for IPO has helped the company to record a positive revenue trend. The EBITDA margin of the company has been moving in parallel with the revenue trend showcasing a positive growth trend in the past three financial years.

Revenue and EBITDA margin

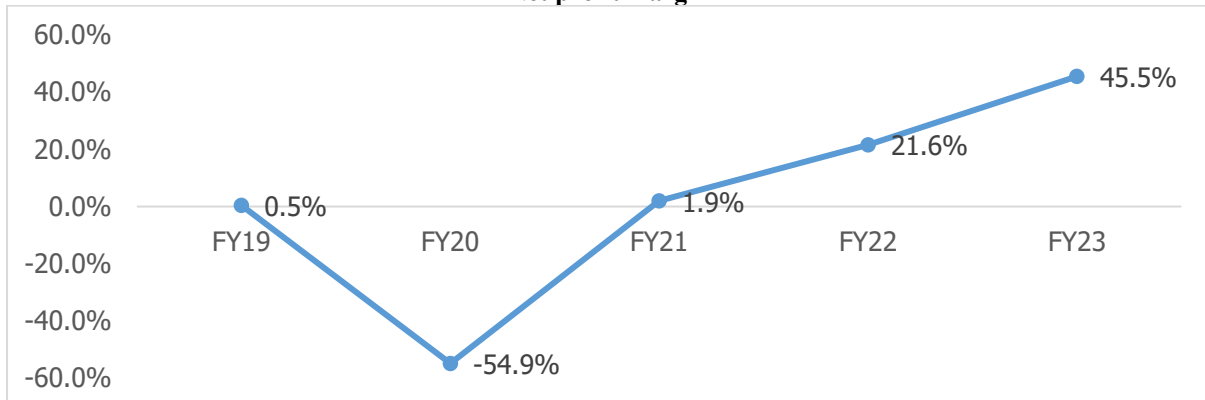


Source: Company reports, CareEdge Research

- Net Profit Margin**

The net profit margin of GSBL has increased from 0.5% in the FY19 to 45.5% in the FY23. Except the FY21, the increase in income from operations as well as other income and reduction in finance cost has supported the net profit margin of GSBL to record a positive growth in the last three financial years.

Net profit margin

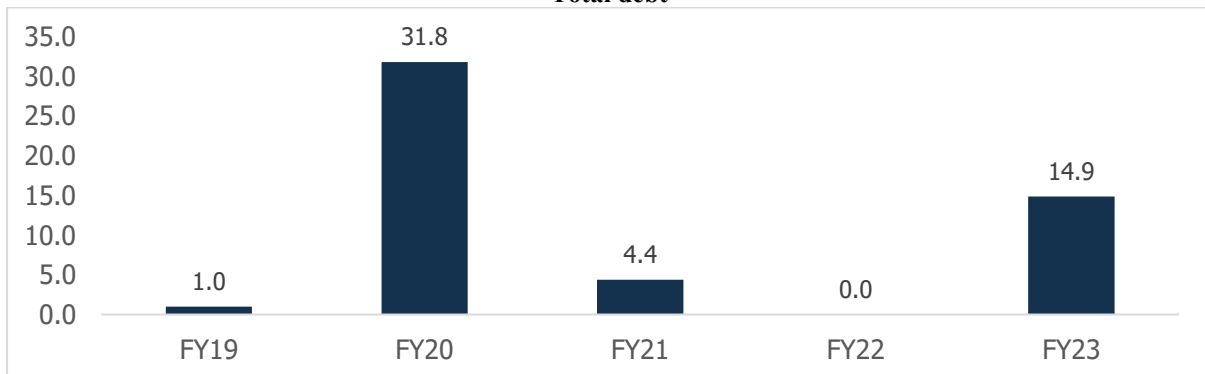


Source: Company reports, CareEdge Research

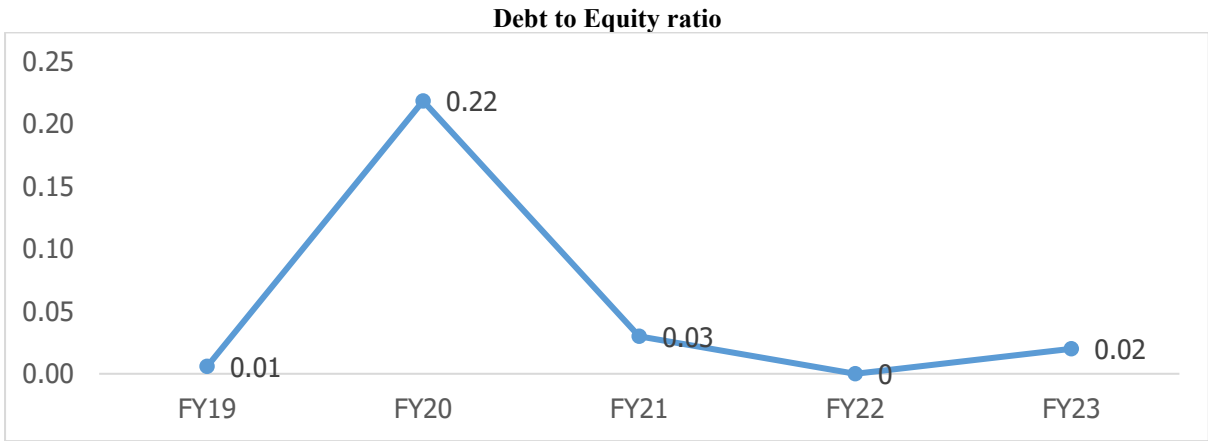
- Borrowings and Debt-to-equity**

GSBL only holds short term borrowings as debt. It had no long term or short borrowings in the FY22. As of FY23, the company holds INR 14.9 million of borrowings. The Debt to Equity ratio of the company has been in a comfortable range through the years.

Total debt



Source: Company reports, CareEdge Research



Source: Company reports, CareEdge Research

OUR BUSINESS

This section should be read in conjunction with “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Consolidated Financial Statements” beginning on pages 35, 208 and 203 respectively, before making an investment in the Equity Shares. In this section, references to “we”, “our” and “us” are to our Company on a consolidated basis. Our Restated Consolidated Financial Statements for the four months period ended July 31, 2023 and Fiscals ended 2023, 2022 and 2021 is prepared under the Ind AS and included in this Draft Red Herring Prospectus. Unless otherwise stated, financial information in this section has been derived from our Restated Consolidated Financial Statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company’s financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Statements” on page 203. Additionally, see “Definitions and Abbreviations” on page 1 for certain terms used in this section.

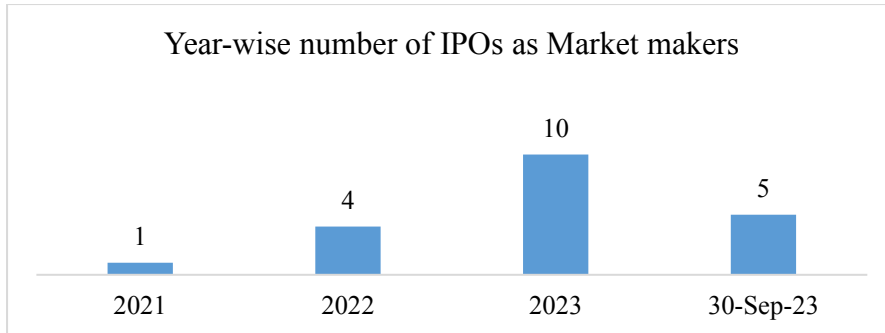
Unless otherwise indicated, industry and market data used in this section has been derived from a report titled “Industry Report on Capital Markets & Stock Broking” dated December, 2023, issued by CareEdge Advisory (“CareEdge Report”), appointed by us pursuant to an appointment letter dated September 7, 2023, and exclusively commissioned and paid for by us for the purposes of confirming our understanding of the industry in connection with the Issue. Unless otherwise indicated, all industry and other related information derived from the CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year. CareEdge was appointed by our Company and is not connected to our Company, our Directors and our Promoters.

For further details and risks in relation to commissioned reports, see “Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the CareEdge Report commissioned and paid for by the Company in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.” on page 43.

Overview

Our Company is engaged in the business of Market Making and Stock Broking, Underwriting Capital Market Issuances and Depository Participant of NSDL.

As Market Makers our Company facilitates the issuer companies viz. companies that list their securities on the Stock Exchanges with buying and selling of their securities, post initial public offers. Our Company has obtained the registration as Market Maker with BSE in the year 2012 and with NSE in the year 2023. With an existence of over a decade, as on September 30, 2023, our Company has executed mandates as market makers with 31 companies that got listed on SME platforms of the stock exchange. Our Company also has a signed MOU with one of our Promoters namely Gretex Corporate Services Limited, a SEBI registered category-I Merchant Banker, to be the market makers for upcoming 28 SME IPOs . In SME segment, our Company creates liquidity in the market as Market Marker by way of two way quotes during trading hours. Market Making activities are fund based as well as fee based i.e. our Company earns a fixed fee for the market making services from corporates which includes one time fees as well as yearly fees and further our Company strives to earn spread and other trading revenues from the same and other stocks in the secondary market transactions.

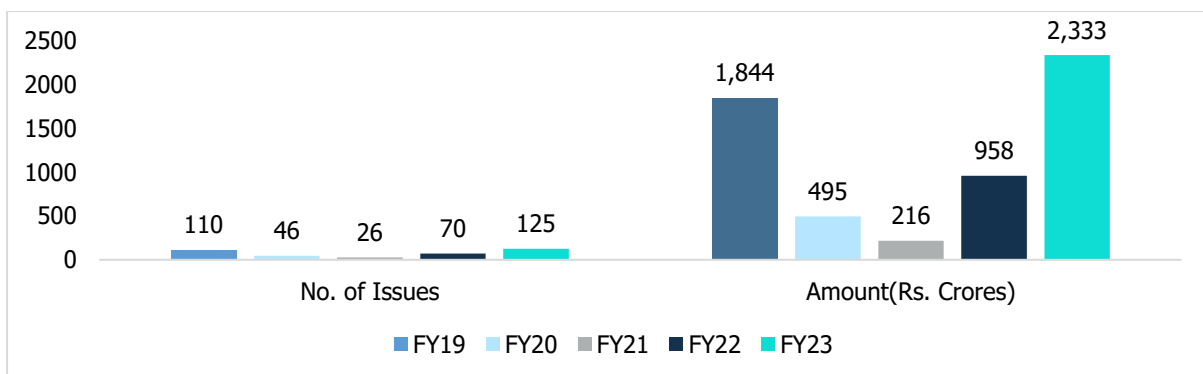


Our Company is also registered with the SEBI as a Stock Broker since its incorporation in 2010. Our clientele includes institutional clients along with retail investors. To be eligible to offer broking services to the institutions, a broker has to be empanelled with an institution. Our Company is empanelled with 3 institutions as on September 30, 2023. The Company presently is engaged in Equity, Currency derivative and Future & Options segment of National Stock Exchange of India Limited and BSE Limited along with making proprietary investments in various tradable securities. Looking into the opportunities in the depository and participant business our Company forayed into the depositories business as well and obtained the registration with SEBI as Depository Participant in the year 2022.

Our Company is promoted by our Corporate Promoter, Gretex Corporate Services Limited, a SEBI registered category-I Merchant Banker. Our Company has a diversified Board with 4 Independent Directors, 1 Managing Director, 1 Joint Managing Director, 1 Whole-time Director and Key Managerial Personnel, which is supplemented by a senior management team with experience in the capital market. As of September 30, 2023, our Company had a workforce of 22 personnel. Our Company is led by Mr. Alok Harlalka, the Chairman and Joint Managing Director of the Company since last 13 years and also led Mr. Arvind Harlalka, a qualified Fellow Company Secretary, the Managing Director of the Company since last 7 years.

Our Market Opportunity

SME platform in the country witnessed a remarkable uptrend in the number of companies listed as well as the amount raised in FY23 (when compared to FY22). During FY23, 125 companies got listed on the SME platform, raising Rs. 2,333 crores as compared to Rs. 958 crores raised through 70 issues in FY22. (Source: CareEdge Report)



(Source: CareEdge Report)

As of September 2023, there are 117 market makers registered with the National Stock Exchange (NSE) and 141 registered with the Bombay Stock Exchange (BSE). Once the shares of the SME company are listed, every SME IPO is supposed to have market-making for at least 3 years. (Source: CareEdge Report)

As of September 15, 2023, there are about 6,23,716 SMEs registered in India. SMEs can raise funds either through equity or debt. Over the recent years, SMEs listing in the capital markets has seen traction. For instance, during FY23, the SME market witnessed sturdy growth with 125 issues, representing an increase of 79% as compared to 70 issues in FY22. During April-July 2023, the IPO issues of SMEs reached 47 from 29 compared to the corresponding period last year. (Source: CareEdge Report)

The SME market segment is likely to drive investors' confidence to subscribe and get benefits from the IPO listing. Numerous stocks have been oversubscribed in the market. The active participation by investors is boosting the growth in the SME market. (Source: CareEdge Report)

Furthermore, the potential surge in the SME market can offer opportunities for market makers to bid attractive quotes to investors for both buying and selling of stocks. Additionally, this can also aid the growth in earning revenue of market makers and can further boost overall wealth in the economy. Accordingly, market makers play a key role in price discovery, thereby providing fair value to other investors. They aid in creation of liquidity, further strengthening the trust of investors and contributing towards the expansion of the SME market. (Source: CareEdge Report)

The SME sector is one of the driving force of the Indian economy and has major potential to drive industrialization across the economy. The sector faces a number of challenges, especially having limited access to finance. With the introduction of the SME platform, companies are now able to raise funds from the public. Since the liquidity in the trades of SMEs is comparatively lower, market makers play a crucial role here. They inject liquidity and determine fair market prices. Further, the SME platform witnessed a 79% (in FY23, y-o-y basis) rise in the number of IPO issues. The addition of a number of SME issues demonstrates a major ask for the market makers. (Source: CareEdge Report)

Certain Key Financial Indicators

Our key financial details for four months period ended July 31, 2023 and Fiscals ended 2023, 2022 and 2021 respectively, as per our Restated Consolidated Financial Information are set out below

(₹ in Millions, except percentages)

| Particulars | For the four months period ended July 31, 2023 | For Financial Year ended March 31, | | |
|------------------------------|--|------------------------------------|--------|--------|
| | | 2023 | 2022 | 2021 |
| Revenue from Operations | 209.20 | 1,026.17 | 396.58 | 135.63 |
| EBITDA ⁽¹⁾ | 80.94 | 587.39 | 89.53 | 7.80 |
| EBITDA Margin ⁽²⁾ | 38.69% | 57.24% | 22.58% | 5.75% |
| Profit After Tax | 61.15 | 467.45 | 85.54 | 2.57 |
| PAT Margin ⁽³⁾ | 28.31% | 43.91% | 20.73% | 1.93% |
| ROE ⁽⁴⁾ | 8.27% | 70.15% | 26.71% | 1.61% |
| ROCE ⁽⁵⁾ | 10.68% | 87.07% | 27.81% | 4.76% |
| Debt / Equity ⁽⁶⁾ | - | 0.01 | 0.00 | 0.03 |

As certified by M/s. Gupta Agarwal & Associates, Chartered Accountants, pursuant to the certificate dated December 14, 2023.

Notes:

(1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the period/year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income

(2) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations

(3) PAT Margin is calculated as restated profit after tax for the period/year as a percentage of total income

(4) ROE is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year divided by total equity (total equity excludes non-controlling interest)

(5) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity - Revaluation Reserve - Capital Redemption Reserve + Total Debts Current & Non-current (Including Government Grants))

(6) Debt consists of total borrowings including short term and long-term borrowings and equity excludes non-controlling interest.

Our Competitive Strengths

- **Integrated mix of business**

Our Company offers a range of financial products and services to our investors along with market making which includes underwriting, liquidity management, equity brokerage, trading with memberships in BSE, NSE and depository participants of NSDL. This helps create business synergies and often attracts SME companies for further engagement. Most of these services are customized to meet the needs of our clients in line with their investment objective.

- **Low Debt and Low Fixed Overheads**

Our Company have been well capitalized through equity from our Promoters and through this Issue, the Company propose to strengthen the same. This would help us raise debt when required in the future as well as ensure our long term sustainability. Further, being a fund based activity company, we do not have any substantial fixed overheads in form of employee costs, interest burdens and other administrative expenses and hence we feel that this too would mean that as and when our revenues increases, it would have a multiplier effect on our net profitability

- **Market Presence of our Corporate Promoter**

Our Company is led by our Corporate Promoter, Gretex Corporate Services Limited, a SEBI registered category-I Merchant Banker. We have a signed MOU with Gretex Corporate Services Limited, to be the market makers for upcoming 28 SME IPOs. Our group's investment banking and advisory businesses will help us better recognize investment opportunities and this unique synergy will help make better investment decisions. Further, in order to generate more Underwriting commission and Market Making Fees, we would be in good stead due to the presence of our Promoter in this space and hence synergies between our companies would be adequately exploited.

- **Robust financial performance**

Our Company has established track record of robust financial performance The details of financial performance on the basis of Restated Consolidated Financial Statements are as follows:

(₹ in Millions, except percentages)

| Particulars | For the four months period ended July 31, 2023 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2021 |
|--|--|---------------------------|---------------------------|---------------------------|
| Basic earnings per share (in ₹) | 1.24 | 9.45 | 1.73 | 0.05 |
| Diluted earnings per share (in ₹) | 1.24 | 9.45 | 1.73 | 0.05 |
| Return on net worth (%) | 8.27 | 70.15 | 26.71 | 1.61 |
| Return on capital employed (%) | 10.68 | 87.07 | 27.81 | 4.76 |
| Net asset value per share (in ₹) * | 89.65 | 80.81 | 38.84 | 19.35 |
| Net asset value per share after bonus & split (in ₹) | 14.94 | 13.47 | 6.47 | 3.22 |
| EBITDA (in ₹ Millions) | 80.94 | 587.39 | 89.53 | 7.80 |
| EBITDA Margin (%) | 38.69 | 57.24 | 22.58 | 5.75 |
| PAT Margin (%) | 28.31 | 43.91 | 20.73 | 1.93 |

* Pursuant to bonus issue of shares in the ratio of 5:1

As certified by M/s. Gupta Agarwal & Associates, Chartered Accountants, pursuant to the certificate dated December 14, 2023.

Our Company has been leading in the peer set by recording an operating margin of 57% in FY23. (Source: CareEdge Report)

Our Company has recorded a net profit margin at 44% amongst its peers in FY23 (Source: CareEdge Report)

Our Company has the highest returns to shareholders amongst its peers in FY23 and have been positive in the last three financial years (*Source: CareEdge Report*)

Our Strategies

i. Focus on the niche area of Market Making

The market making services brings a value proposition for our Company, wherein our Company proposes to earn fee based revenue from clients for the market making services and also use our funds to make investments in these companies during the process of market making. Going forward the more number of companies we add to our market making portfolio, it will increase our fee based revenue at the same time. This helps us increase our ability to on-board more companies and hence, provide us a unique competitive edge over other new entrants in the capital market. Also, most of our market making investments would be in SME companies and that we would hence be entering as investors in these companies at a very nascent stage, we would be able to take benefits of investment in lower equity base and hence protect our long term interests. We propose to enter into more market making agreements with companies whose SME IPOs are being bought by merchant bankers other than Gretex Corporate Services Limited.

SMEs can raise funds either through equity or debt. Over the recent years, SMEs listing in the capital markets has seen traction. For instance, during FY23, the SME market witnessed sturdy growth with 125 issues, representing an increase of 79% as compared to 70 issues in FY22. During April-July 2023, the IPO issues of SMEs reached 47 from 29 compared to the corresponding period last year. (*Source: CareEdge Report*)

ii. Focus on risk management

Since our Company is dealing in the financial services, risk management is of utmost importance. Our Company intends to monitor and control risk exposure through financial, credit, operational, compliance and legal reporting systems based on mandatory regulatory requirements and as per our business needs. Our Company plans to further strengthen our risk management procedures by evaluating and managing the market, credit and other risks to which we are exposed, as well as protecting our reputation in the market.

iii. Augment our fund based capacities for stock broking and allied activities

We are a registered Market Maker as well as a Stock Broker. Our business is characterised by high capital requirements to be able to make investments in the companies proposing to get listed on the SME exchange and to provide margins on behalf of clients without compromising on raising capital through low interest sourcing. We intend to raise funds from the Fresh Issue Proceeds of this Issue and augment our fund based capital requirements. This will also enable us to save a considerable interest cost due to lower borrowings. For further details regarding the capital being raised through this Issue, please refer to section “*Objects of the Offer*” on page 86 of this Draft Red Herring Prospectus. We intend to focus more on Institutional and HNI broking as well as executing more block deals.

iv. Embrace Technological Advancements

The adequate and efficient servers and network is key for success in the market making and stock broking business. Although our Company has adequate numbers of servers and laptops that are commensurate with our current operation size, but our Company intends to invest in additional resources for enhancing and advancing the technology to cater to the existing clients and to be equipped for adding more clients. In today’s digital era, it is important for an organisation to spend adequate human and capital resources towards the technology advancements.

Moreover, with the increasing importance of technology, customers are provided more and more means to access information and make active decisions based on the fast-paced information availability. The systems are ever evolving and have become quick and robust. In order to stay relevant and increase the market share, many brokers have heavily invested in infrastructure. Their IT systems have transformed from legacy systems to modern-day agile, adaptive and lean architectures. The stock market industry is likely to see further development in terms of market participants as well as the quantum of trade value. (*Source: CareEdge Report*)

v. **Scale up our institutional brokerage**

We aim to scale up our institutional brokerage business in the future by focusing on adding more institutional clients and dedicated institutional desks in our Company. We aim to invest additional resources for team hiring, subscription to databases like Bloomberg, Capital IQ etc.

Our Business Verticals

Our business verticals are set out below:

1. Market Maker:

Our Company is engaged in the business of market making and as Market Makers our Company facilitate the issuer companies viz. companies to list their securities on the SME Exchanges with buying and selling of their securities, at the time of initial public offers. Our Company obtained the registration as Market Maker from the BSE in the year 2012 and from NSE in the year 2023.

Market Making is an act of providing liquidity to scrips by way of two-way quotes on the counter. Our Company creates liquidity in the market as Marker Maker, for the companies which are intending to list on the Stock Exchanges.

2. Stock Broking and Depository Participants:

Our Company is registered with the SEBI as a Stock Broker since its incorporation in 2010. Our clientele includes institutional clients along retail investors. To be eligible to offer broking services to the Institutions, a broker has to be empanelled with an institution. Our Company is empanelled with 3 institutions as on September 30, 2023. The Company presently is engaged in Equity, Currency derivative and Future & Options segment of National Stock Exchange of India Limited and BSE Limited along with making proprietary investments in various tradable securities. Looking into the opportunities in the depository participant business, Our Company forayed into the depository participants business as well and obtained the registration with SEBI as Depository Participant in the year 2022.

The Indian broking industry is very fragmented with a large number of participants. There are over 146 stockbrokers registered with the National Stock Exchange (NSE) as of 31st July 2023. There are 1,295 trading members in the equity segment registered with BSE as of 11th September 2023. Many of them may be propriety desks. Still, a large number of brokers offer trading services to customers. The stock brokerage industry in India managed to earn an income of more than Rs. 30,000 crores in FY22. CareEdge Research estimates that in FY23 the industry's total income is likely to have reached around Rs. 35,000 crores. (Source: CareEdge Report)

Further, capital markets-related entities have benefitted in the last few years, as equity markets have given investors healthy returns. Corporations are also tapping into the growth of capital markets by raising capital through equity and debt issuances. (Source: CareEdge Report)

Equipment and Machinery

The major equipment and machineries required for our business is laptops, desktops and servers. Our Company has adequate number of computer systems commensurate with our current business operations.

Collaborations/Tie Ups/ Joint Ventures

Our Company has not entered into any technical or other collaborations. However, our Company has a signed MOU with the promoter company, Gretex Corporate Services Limited, a SEBI registered category-I Merchant Bankers, to be the market makers for upcoming 28 SME IPOs.

Risk Management

Our risk management systems are integrated with electronic systems and servers, which allows us to manage our risk in real time by tracking the triggered prices for every clients' position with a margin. This integration allows

us to dynamically change margin requirements based on trading volume, improve pricing of margin products, and/or provide our customers with higher leverage.

In order to maintain our risk management system and reduce operational errors, our Company needs to be well equipped with regards to latest software and hardware systems available. Our Company is using the software facilities such as Odin Software and SharePro. Further, our Company has purchased the server system from Technonet Enterprise.

Compliance

This sector of business is highly regulated business and our Company has skilled employees and technologies in place to fulfil our statutory obligations towards market regulators and the clients. Our Board of Directors, through the Audit Committee, oversees the compliance framework. Our Company has formulated various corporate policies and procedures related to internal compliance, including a Code of Procedures and Conduct Regulating, Monitoring and Reporting Trading by Designated Persons their Immediate Relatives and for Fair Disclosure and Code of Practices, Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and Whistleblower Policy. These policies help to ensure that our Company has complied with the relevant laws and applicable regulatory guidelines issued by the relevant regulatory(ies), statutory and enforcement authority(ies) from time to time.

Human Resources

Our Company is committed towards creating an organisation that nurtures talents. As on *September 30, 2023*, our Company had a workforce of 22 personnel which is mix of experienced and youth gives us the dual advantage of stability and growth. The following table depicts the details of our employees as on *September 30, 2023*:

| Category | No. of Employees |
|--------------|------------------|
| Directors | 3 |
| KMP | 1 |
| SMPs | 5* |
| Executives | 12 |
| Unskilled | 1 |
| Total | 22 |

*Premkumar Hari Krishnan has resigned w.e.f 4th October, 2023.

Competition and Marketing

The market for our services is competitive. Our Company compete with a number of entities that are providing similar services in each of the business lines that our Company is operating. Our primary competitors include Aryaman Financial Services Limited, Inventure Growth & Securities Limited and Shreni Shares Limited (*Source: CareEdge Report*).

Our Company compete on basis of a number of factors, including depth of service offerings, reputation, service quality, reliability and price. Our business model is in existence for 13 years.

Insurance


We maintain the following insurance policies for our operations

| Insurer | Insurance Policy No. | Policy Period | Risks Covered | Sum Assured (₹ in million) |
|--|----------------------|--|--|----------------------------|
| The Oriental Insurance Company Limited | 121300/48/2024/537 | From 23-11-2023 to Midnight 31-05-2024 | <ul style="list-style-type: none"> • Infidelity of Employees • Computer crime indemnity • Legal Liability | 0.50 |

| | | | | |
|---|----------------------|--|--|-------|
| | | | <ul style="list-style-type: none"> • Counterfeit Securities • Loss of Securities | |
| HDFC ERGO General Insurance Company Limited | 230220547258270000 | From 21-06-2023 to 20-06-2024 | <ul style="list-style-type: none"> • Motor Car Insurance | 5.13 |
| United India Insurance Company Limited | 0302002623P107122343 | From 10-09-2023 to Midnight 09-09-2024 | <ul style="list-style-type: none"> • Burglary, Fire & Allied Perli, Accidental Damage, Theft Risk | 1.13 |
| United India Insurance Company Limited | 0302001123P106867034 | From 10-09-2023 to Midnight 09-09-2024 | <ul style="list-style-type: none"> • Fire | 26.46 |
| United India Insurance Company Limited | 0302001223P106868844 | From 10-09-2023 to Midnight 09-09-2024 | <ul style="list-style-type: none"> • Burglary | 26.46 |

For further information on risks related to our insurance policies, see “Risk Factors – Our insurance coverage may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage” on page 43

Intellectual Property

| S. No. | Description | Applicant | Application No. | Date of Application | Trademark | Status |
|--------|--|------------------------------|---|---------------------|--|---------|
| 1. | Application for registration of trade mark issued under the Trade Marks Act, 1999* | Gretex Share Broking Limited | 9387010 Class: 36 Financial, Monetary and Banking Services; insurance services; real estate affairs., brokerage services, for example, securities, insurance and real estate brokerage | October 14, 2023 |  | Pending |

* The Company's Group Company namely Gretex Industries Limited has issued a No Objection Certificate dated December 14, 2023 to the Company inter-alia permitting the Company to use the Trademark



and register the same with the Trademarks Registry under Class 36.

Information Technology

Information technology has changed and will continue to change the ways that securities and other financial products are marketed, traded, distributed and settled. This creates opportunities as well challenges for our business. Our IT capability is critical to the efficient operation and performance of our businesses. Our Company has devoted substantial strategic resources to IT, continued to innovate in IT for the Indian securities market. Our Company is committed to the ongoing development, maintenance and use of IT in our business activities. Our Company expect technology developments to improve client service quality.

Corporate Social Responsibility

Sustainable community development is essential for harmonious development of both the community and industry. Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014. We endeavour to make a positive contribution, that enables shareholder value enhancement and societal value creation in a mutually reinforcing and synergistic manner. In Fiscals 2023, we incurred ₹ 2.8 million towards CSR activities.

Property

| Primary Purpose | Location | Owned/Rented |
|---|---|--------------|
| Registered office | A-401, Floor 4 th , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India | Owned |
| Given on leave and license to Gretex Industries Limited | Office No. LGF 82 - A WING, Lower Ground, Ground & First Floor, Express Zone, Western Express Highway, Goregaon East, Mumbai - 400 097 | Owned |

Export Obligations

As on the date of filing of this Draft Red Herring Prospectus, we do not have any export obligations.

KEY INDUSTRY REGULATIONS AND POLICIES

In carrying on our business as described in the section titled “Our Business” beginning on page 151 of this Draft Red Herring 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 respective 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, kindly refer to the chapter titled “Government and Other Statutory Approvals” beginning on page 225 of this Draft Red Herring Prospectus.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us.

BUSINESS/TRADE RELATED LAWS/REGULATIONS

Securities and Board of India Act, 1992

The Securities and Board of India Act, 1992 (“SEBI Act”) provides for the establishment of the Securities and Exchange Board of India to protect the interests of investors in securities markets, to promote the development of, and to regulate, the securities market and other related matters. Through the SEBI Act, SEBI can conduct enquiries, investigations, audits and inspection of stock exchanges, mutual funds, intermediaries including stock brokers, self-regulatory organisations and other persons associated in the securities market. It also has the authority to undertake cease and desist proceedings, adjudicate offences and impose penalties under the SEBI Act.

Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (“Depositories and Participants Regulations”) provide, amongst other things, the manner of application for registration as a depository and a participant with SEBI. It provides the criteria for determining “fit and proper person” for the purposes of being considered as a depository. Further, the Depositories and Participants Regulations provide for the prescribed equity shareholding of a sponsor, a person or a participant in the capital of the depository. All depositories that have been granted a certificate of registration are required to make an application to SEBI for commencement of business. The Depositories and Participants Regulations provide for rights and obligations of depositories, participants, issuers, manner of surrender of certificate and creation of pledge. It further prescribes the mechanism for investor protection, evaluation of internal systems, manner for handling share registry work and liability of a participant or a depository in case of default.

Securities Contracts (Regulation) Act, 1956

The Securities Contracts (Regulation) Act, 1956 (“SCRA”) seeks to prevent undesirable transactions in securities by regulating the business of dealing in securities and other related matters. The SCRA provides the conditions for grant of recognition for stock exchanges by the Central Government as also withdrawal of recognition. Every recognized stock exchange is required to have bye-laws for the regulation and control of contracts which inter alia include:

- i. the opening and closing of markets and the regulation of the hours of trade;
- ii. the fixing, altering or postponing of days for settlements;
- iii. the determination and declaration of market rates, including the opening, closing, highest and lowest rates for securities;
- iv. the listing of securities on the stock exchange, the inclusion of any security for the purpose of dealings and the suspension or withdrawal of any such securities, and the suspension or prohibition of trading in any specified securities;
- v. the regulation of dealings by members for their own account; and
- vi. the obligation of members to supply such information or explanation and to produce such documents relating to the business as the governing body may require.

SEBI Market Maker Guidelines

The SEBI Market Maker Guidelines provide for the registration, obligations, responsibilities and monitoring of Market Makers on the Small and Medium Enterprise (SME) platform. Any member of the concerned stock exchange would be eligible to act as Market Maker provided it is registered with the concerned stock exchange as a Market Maker to Market Makers are obligated to provide quotes from the day of listing or when designated as the Market Maker on the respective scrip, in accordance with the guidelines provided by the concerned stock exchange.

Securities and Board of India (Underwriters) Regulations, 1993

SEBI (Underwriters) Regulations, 1993 (“Underwriter Regulations”) governs the certification, obligations, and responsibilities of all underwriters. While generally all underwriters must apply for and hold a certificate granted by SEBI under these regulations, a stock broker holding a valid certificate of registration under the SEBI Act, shall be entitled to act as an underwriter without obtaining a separate certificate under the Underwriter Regulations. The underwriter is prohibited from deriving any direct or indirect benefit from underwriting the issue other than the anticipated commission or brokerage payable for the same.

Securities and Board of India (Prohibition of Insider Trading) Regulations, 1992

SEBI (Prohibition of Insider Trading) Regulations, 1992 (“the Insider Trading Regulations”) governs the protection of investors against insider trading. The Insider Trading Regulations prevent insider trading in India by prohibiting an insider from dealing, either on his/her own behalf or on behalf of any other person, in the securities of a company listed on any stock exchange when in possession of unpublished price-sensitive information. Further, any person with whom such unpublished price sensitive information is shared shall not deal in securities of the concerned company. As per Regulation 3(1) of the Insider Trading Regulations, no insider shall communicate, provide or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. As per Regulation 7(2), every promoter, employee and director of every company shall disclose to the company the number of such securities acquired or disposed as specified in the Insider Trading.

Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992

The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 (“Stock Broker Regulations”) govern the registration and functioning of stock brokers, sub-brokers and clearing members. In terms of the Stock Broker Regulations, stock brokers are required to abide by a code of conduct and are subject to penalties for noncompliance of the Stock Broker Regulations. SEBI has the authority to inspect the books of accounts of stock brokers and in case of violations by the stock broker of the provisions of the SCRA, to take such appropriate action as it deems fit after giving an opportunity for hearing. Further, in case of any change in its status or constitution, the stock broker is required to obtain the prior permission of SEBI in order to continue to buy, sell or deal in securities in any stock exchange.

Securities and Exchange Board of India (Intermediaries) Regulations, 2008

The Securities and Exchange Board of India (Intermediaries) Regulations, 2008 (“SEBI Intermediaries Regulations”) provide amongst other things, the manner of application for registration as an intermediary with SEBI, and the period of validity of the registration certificate. Further, the SEBI Intermediaries Regulations provides the general obligations of intermediaries, the appointment of compliance officer and the manner of redressal of investor grievances. All intermediaries are required to compulsorily abide by the code of conduct as specified under the SEBI Intermediaries Regulations. The SEBI Intermediaries Regulations also provide the criteria for determining “fit and proper person” for the purpose of other SEBI regulations, including the SEBI Merchant Bankers Regulations, the SEBI Stock Brokers and Sub-brokers Regulations, the SEBI Portfolio Managers Regulations, the SEBI Investment Advisers Regulations and the SEBI Research Analysts Regulations.

SEBI Intermediaries Circular on Conflicts

The SEBI Intermediaries Circular on Conflicts prescribes comprehensive guidelines to intermediaries and their associated persons for elimination of conflicts of interest. It prescribes guidelines for avoiding, dealing with, or managing, conflict of interest, including, developing internal procedures, maintaining high standards of integrity in conduct of business and developing an internal code of conduct to govern operations, appropriately disclosing potential sources or areas of conflict to clients and formulating standards of appropriate conduct in performance of their activities, which are in addition to the codes of conduct prescribed under relevant regulations governing intermediaries.

Stock Exchange Rules, Regulation, Byelaws and Notices issued from time to time

Being a trading and clearing member of BSE and NSE, we are governed by the rules, regulations, bye laws and notices of such exchanges, as amended from time to time. The relevant exchange is empowered under the SCRA to make its own bye laws and rules to deal with its members and regulations to govern/ regulate the relations between the members and the constituents. Further, the SEBI Master Circular dated December 16, 2016 regarding stock exchanges and clearing corporations provides for, amongst other things, the manner of trading, trading software and technology, settlement, exchange traded derivatives, the administration of stock exchanges and client-broker dispute resolution mechanism. Stock exchanges may undertake inspection of stock brokers based on the inspection policy specified by SEBI.

Prevention of Money Laundering Act

The Prevention of Money Laundering Act was enacted to prevent money laundering and to provide for confiscation of property derived from, or involved in money laundering, and for incidental matters connected therewith. Section 12 of the Prevention of Money Laundering Act casts certain obligations on, inter alia, banking companies in relation to preservation and reporting of customer account information. The RBI has advised all banks to go through the provisions of the Prevention of Money Laundering Act and the rules notified thereunder and to take all steps considered necessary to ensure compliance with the requirements of section 12 of the Prevention of Money Laundering Act.

SEBI Certification of Associated Persons Regulations

The SEBI Certification of Associated Persons Regulations provide that any category of associated persons (as defined in terms of these regulations) may be required to obtain the requisite certifications for engagement or employment with intermediaries by SEBI. Through several notifications, SEBI has required approved users and sales personnel of trading members in currency derivative and equity derivative segments, distributors of mutual fund products, key managerial personnel of merchant bankers, compliance officers of intermediaries, research analysts and certain persons associated with stock brokers, trading members or clearing members to obtain the prescribed certification from National Institute of Securities Markets.

SEBI Mutual Funds Regulations and AMFI Guidelines

The SEBI Mutual Funds Regulations govern the law pertaining to the business of mutual funds in India. SEBI has made it mandatory for all mutual funds to appoint agents/distributors who are registered with AMFI. In case of firms/companies, the requirement of certification from National Institute of Securities Markets is made applicable to the persons engaged in sales or distribution of mutual fund products. AMFI has issued guidelines for intermediaries in consonance with the SEBI Master Circular for Mutual Funds dated July 10, 2018. The primary objective of the AMFI Guidelines is to ensure that mutual fund intermediaries do not use unethical means to sell market or induce any investor to buy units of their scheme(s) and mobilize funds on the strength of professional fund management and good practices. The AMFI Guidelines are mandatory and all such intermediaries are required to strictly comply with the code of conduct prescribed by AMFI.

SEBI Research Analysts Regulations

The SEBI Research Analysts Regulations provide that no person shall act or hold itself out as a research analyst or a research entity unless such person holds a certificate granted by SEBI under these regulations. The SEBI Research Analysts Regulations, lay down, amongst other things, the eligibility criteria, conditions for grant of certificate to research analyst and its general obligations and responsibilities. Further, every research analyst is required to abide by the code of conduct as specified under the SEBI Research Analysts Regulations

EMPLOYEE AND LABOUR RELATED LEGISLATIONS:

Our Company is governed by various legislations for the safety and protection of the labour and employees either working for or engaged by the Company. Our Company is required to ensure compliance of various labour and employment laws to conduct its business and projects. These include, but are not limited to the following:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees' State Insurance Act, 1948;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Public Liability Insurance Act, 1991;

- The Maternity Benefit Act, 1961;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976
- The Employee's Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972; and
- The Payment of Bonus Act, 1965.

The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017

The Company has its office at Mumbai, Maharashtra and accordingly, the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and the rules made thereunder are applicable to the Company. Such provisions regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work. Whoever, contravenes such provisions shall be punished with fine which may extend to Rs. 1,00,000/- and in the case of a continuing contravention, with an additional fine which may extend to Rs. 2,000/- per for every day during which such contravention continues. The total fine shall not exceed Rs. 2,000/- per workers employed.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints

Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹50,000/-

TAX RELATED LEGISLATIONS

Income Tax Act, 1961

Income-tax Act, 1961 (“Income-tax 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 Income-tax 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.

Further, the Company is also governed by the Maharashtra Goods and Services Tax Act, 2017 for levy and collection of tax on intra-State supply of goods and services or both.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority

INTELLECTUAL PROPERTY LEGISLATIONS

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.

OTHER APPLICABLE LAWS

Companies Act, 2013

The Companies Act, 2013 (“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 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.

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.

Legislations pertaining to Stamp Duty

Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“Stamp Act”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

The Maharashtra Stamp Act, 1958

The purpose of the Maharashtra Stamp Act, 1958 (the “Maharashtra Stamp Act”) was to streamline and simplify transactions of immovable properties and securities by the State Government. The Maharashtra Stamp Act

provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Maharashtra Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

REGULATIONS REGARDING FOREIGN INVESTMENT

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.

The FDI Policy permits foreign investment upto 100% of equity/FDI cap through the automatic route in companies that fall under the Other Financial Services’ sector. Our Company is a stock broking company engaged in the financial services sector and is regulated by SEBI. Accordingly, foreign investment upto 100% of equity/FDI cap is permitted in our Company under the automatic route subject to compliance of certain conditions which are inter-alia as follows:

- (i) Minimum capitalization norms, inter alia shall be subject to conditionalities, as specified by the concerned Regulator/Government Agency.
- (ii) The financial services need to be regulated by one of the Financial Sector Regulators.
- (iii) Downstream investments by any of these entities will be subject to the extant sectoral regulations and provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended from time to time, now being the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019.

HISTORY AND CERTAIN CORPORATE MATTERS

The Company was originally incorporated as '**Sherwood Securities Private Limited**' as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated April 29, 2010 issued by the Deputy Registrar of Companies, West Bengal. Subsequently, the name of the Company was changed to '**Gretex Share Broking Private Limited**' vide special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on August 21, 2017 and a fresh certificate of incorporation pursuant to change of name was issued by Registrar of Companies, Mumbai dated September 1, 2017. Subsequently, the Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of the Company at the extraordinary general meeting held on August 8, 2023 and the name of the Company was changed to '**Gretex Share Broking Limited**' and a fresh certificate of incorporation consequent upon conversion to a public limited company dated September 4, 2023 was issued by Registrar of Companies, Mumbai. The Corporate Identity Number of the Company is U65900MH2010PLC289361.

Corporate Profile of the Company

For information on the Company's business profile, activities, services, managerial competence, and customers, please refer to chapters titled "*Our Business*" and "*Our Management*" beginning on pages 151 and 172 respectively, of this Draft Red Herring Prospectus.

Changes in Registered Office

The registered office of the Company is situated at A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India .

Except as disclosed below, there has been no change in the registered office of the Company since the date of the incorporation:

| Date of Resolution | Details of Registered Office | Reason for change |
|--|--|--|
| At Incorporation | 19B, B.B. Ganguly Street, 2 nd Floor, Kolkata, West Bengal-700012 | - |
| Board Resolution dated April 11, 2016 and Shareholders Resolution dated May 10, 2016 | Office No. 13, 1 st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai-400023, Maharashtra. | For operational efficiency |
| Board Resolution dated September 5, 2023 | A-401, Floor 4 th , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India. | For business convenience and better infrastructure |

Major events and milestones in the History of the Company, awards and accreditations received by the Company

| Year | Major events and milestones |
|------|---|
| 2010 | Incorporation of the Company as 'Sherwood Securities Private Limited'. |
| | Alok Harlalka acquired Equity Shares of the Company. |
| | The Company registered as a stock broker of SEBI. |
| 2012 | The Company registered as a market maker in SME segment of BSE. |
| 2017 | Change of the Registered Office from the state of West Bengal to Maharashtra. Name of the Company was changed from 'Sherwood Securities Private Limited' to 'Gretex Share Broking Private Limited'. |
| 2022 | The Company registered as a participant subject to the conditions specified under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018. |
| 2023 | The Company registered as a market maker in SME segment of NSE. |
| | Conversion of the Company from "Private Limited" to "Public Limited". |

| Year | Major events and milestones |
|------|---|
| | Name of the Company was changed from 'Gretex Share Broking Private Limited' to 'Gretex Share Broking Limited' pursuant to conversion of the Company from Private Limited to Public Limited. |

Main Objects of the Company

1. To carry on the business as shares and stock brokers and for that purpose to obtain membership of the stock exchanges and over the Counter Exchanges within and outside India and to acquire and hold shares, stocks, bonds, units deposit certificates, notes, bills, warrants or any other instrument whether or not transferable or negotiable, commercial or other paper or scrips (hereinafter collectively referred to as the "securities), to act as discount house for any of the securities, to, ad, as merchant bankers, managers, advisors and counsellors in capital markets, to underwrite, sub-underwrite, and depository participant or to provide stand-by or procurement arrangements subject to prior approval of SEBI, to issue guarantees or to give any other commitments for subscription for the securities to manage portfolio Investments, to provide financial and investment assistance for the purpose herein, to act as issue house, registrar to issue manager to issue, transfer agents for the securities, depository participant, to form syndicates or consortia of managers, agents, purchasers, guarantors, and for financiers for share, stock, bonds, units, securities of any government or public authority or corporate, to act as brokers, dealers and agents of or in connection with the securities, bunnions, precious metals/precious objects of any nature, to syndicate any financial arrangements whether in domestic market or in international market in connection with securities whether by way of loans, guarantees, exports and yard credits, to undertake the work of discounting, forfeiting and/or factoring of bills or other commercial papers, debt securitization and to arrange and/or coordinate documentation and negotiation in this regard and to invest in and acquire, sell, transfer, subscribe, hold, dispose of and otherwise deal in shares, stocks, debentures, bonds and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture-stock, bonds, obligation and securities issued or guaranteed by any government, state, public body whether in India or elsewhere.

Amendments to the Memorandum of Association

The following changes have been incorporated in the Memorandum of Association of the Company, after approval of the shareholders, in the last ten years preceding the date of this Draft Red Herring Prospectus:

| Sr. No. | Date of Shareholder's Approval | AGM/ EGM | Particulars of amendment |
|---------|--------------------------------|----------|---|
| 1. | July 20, 2012 | EGM | Clause V of the Memorandum of Association of the Company was amended to reflect increase in authorized share capital of the Company from Rs. 35,00,000/- divided into 3,50,000 equity shares of Rs. 10/- each to Rs. 80,00,000/- divided into 8,00,000 equity shares of Rs. 10/- each. |
| 2. | May 10, 2016 | EGM | Clause II of the Memorandum of Association of the Company was amended to reflect change in the registered office of the Company from West Bengal to Maharashtra. |
| 3. | August 21, 2017 | EGM | Clause I of the Memorandum of Association of the Company was amended to reflect change in name of the Company from 'Sherwood Securities Private Limited' to 'Gretex Share Broking Private Limited'. |
| 4. | March 09, 2018 | EGM | Clause V of the Memorandum of Association of the Company was amended to reflect increase in authorized share capital of the Company from Rs. 80,00,000/- divided into 8,00,000 equity shares of Rs. 10/- each to Rs. 8,25,00,000/- divided into 82,50,000 equity shares of Rs. 10/- each. |
| 5. | April 05, 2022 | EGM | Object Clause (Clause A) of the Memorandum of Association of the Company was amended to reflect the addition of words, "depository participant". |
| 6. | July 11, 2023 | EGM | Clause V of the Memorandum of Association of the Company was amended to reflect increase in authorized share capital of the Company from Rs. 8,25,00,000/- divided into 82,50,000 equity shares of Rs. 10/- each to Rs. 80,00,00,000/- divided into 8,00,00,000 equity shares of Rs. 10/- each. |

| Sr. No. | Date of Shareholder's Approval | AGM/ EGM | Particulars of amendment |
|---------|--------------------------------|----------|--|
| 7. | August 8, 2023 | EGM | Clause I of the Memorandum of Association of the Company was amended to reflect change in name of the Company from 'Gretex Share Broking Private Limited' to 'Gretex Share Broking Limited'. |

Time and cost over-runs in setting up projects and certain other adverse remarks

As on the date of this DRHP, the Company has not experienced any time/cost overrun in setting up any projects or business operations.

Material Acquisition or divestments of Businesses/Undertakings

Except as stated below, the Company has not made any material acquisition or disinvestments of businesses / undertakings in the last 10 (ten) years:

| Sl. No. | Name of the Entity | Details of Acquisition | Date of Acquisition | Acquisition price |
|---------|--|--|---------------------|-------------------|
| 1. | Sunview Nirman Private Limited | Purchase of 8,400 Equity Shares of investment in Sunview Nirman Private Limited from Apsara Selections Private Limited | March 22, 2022 | Rs. 7,22,400/- |
| 2. | Sunview Nirman Private Limited | Allotment of 2,56,000 Equity Shares of Sunview Nirman Private Limited | March 31, 2022 | Rs. 2,20,16,000/- |
| 3. | Sunview Nirman Private Limited | Purchase of 4,66,000 Equity Shares of investment in Sunview Nirman Private Limited from Gretex Corporate Services Limited | August 1, 2023 | Rs. 4,61,34,000/- |
| 4. | Sunview Nirman Private Limited | Sale of 7,30,400 Equity Shares of investment in Sunview Nirman Private Limited to Gretex Industries Limited | September 12, 2023 | Rs. 7,23,09,600/- |
| 5. | Signageus Value Advisors Private Limited | Acquisition of 30,000 Equity Shares from Gretex Corporate Services Limited, Ambition Tie-Up Private Limited, Talent Investment Company Private Limited and Bonanza Agency LLP. | December 10, 2022 | Rs. 4,15,80,000/- |

Details of Merger/Amalgamation

There has been no merger/amalgamation pertaining to the Company in the last 10 (ten) years.

Revaluation of assets

The Company has not revalued its assets in the last 10 (ten) years.

Defaults or Rescheduling of Borrowings with Financial Institutions/Banks

There have been no defaults that have been called or rescheduling/restructuring of borrowings by any financial institution or bank in relation to borrowings availed by the Company.

Launch of key services, entry into new geographies or exit from existing markets

For details of key services launched by the Company, entry into new geographies or exit from existing markets, see “*Our Business*” and “*Major events and milestones in the History of our Company*” beginning on pages 151 and 167 of this Draft Red Herring Prospectus.

Our Holding Company

Except Gretex Corporate Services Limited, the Company does not have any other holding company as on the date of this Draft Red Herring Prospectus. Further, Gretex Corporate Services Limited holds 3,19,62,660 Equity Shares, constituting 64.60%, of the issued, subscribed and paid-up Equity Share capital of the Company.

For further details with respect to Gretex Corporate Services Limited, see “*Our Promoters and Promoter Group*” beginning on page 188 of this Draft Red Herring Prospectus.

Our Subsidiary

For details with respect to the Subsidiary, see “*Our Subsidiary*” on page 171 of this Draft Red Herring Prospectus.

Joint Ventures of the Company

The Company has not entered in any joint ventures as on the date of this Draft Red Herring Prospectus.

Significant financial or strategic partnerships

The Company does not have any significant financial or strategic partners as on the date of this Draft Red Herring Prospectus.

Capacity/facility creation, location of plants

The Company does not have any plants.

Shareholders Agreement and Other Agreements

As on the date of this Draft Red Herring Prospectus, the Company has not entered into any Shareholders Agreements.

Key terms of other subsisting material agreements

The Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of the Company.

Agreements with Key Managerial Personnel or a Senior Management or a Director or the Promoters or any other employee of the Company

There are no agreements entered into by the key managerial personnel or senior management or the Directors or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

OUR SUBSIDIARY

Our Company has one (1) Subsidiary namely Signageus Value Advisors Private Limited. Unless stated otherwise, information in relation to our Subsidiary is as on the date of this Draft Red Herring Prospectus.

Set out below are details of our Subsidiary.

1. Signageus Value Advisors Private Limited

Corporate Information

Signageus Value Advisors Private Limited was originally incorporated as a private limited company under the Companies Act, 1956 under the name 'Ambuja Technologies Private Limited', pursuant to Certificate of Incorporation dated August 16, 2007 issued by Registrar of Companies, West Bengal. Thereafter, on June 08, 2021 its name was changed to Signageus Value Advisors Private Limited vide fresh Certificate of Incorporation, issued by Registrar of Companies, Kolkata. Its registered office is located at 90, Phears Lane, 5th Floor Kolkata, West Bengal - 700012. Its Corporate Identification Number is U72200WB2007PTC117864.

Nature of Business

Signageus Value Advisors Private Limited is primarily engaged in the business of event organization.

Capital Structure

The authorised share capital of Signageus Value Advisors Private Limited is ₹ 15,00,000/- divided into 1,50,000 equity shares of face value of ₹ 10/- each and the issued, subscribed, and paid-up share capital of Signageus Value Advisors Private Limited is 3,00,000/- divided into 30,000 equity shares of face value of ₹ 10/- each.

Shareholding Pattern

| Name of the shareholder | Number of equity shares (of face value of ₹ 10 each) held | Percentage of issued, subscribed and paid-up share capital (%) |
|---|---|--|
| Gretex Share Broking Limited | 29,999 | 100.00 |
| Arvind Harlalka (nominee shareholder of Gretex Share Broking Limited) | 1 | 0.00 |
| Total | 30,000 | 100.00 |

Accumulated profits or losses not accounted for by our Company

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Signageus Value Advisors Private Limited not accounted for by our Company.

OUR MANAGEMENT

The Articles of Association require the Board to have not less than 3 (three) Directors and not more than 15 (fifteen) Directors. As on the date of this DRHP, the Board comprises of 7 Directors, including 4 Independent Directors. The present composition of the Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

The following table sets forth details regarding the Board of Directors of the Company as on the date of filing of this DRHP with SEBI:

Board of Directors

| Sr. No. | Name, DIN, Designation, Period of Directorship, Term, Date of Birth, Age, Nationality, Address, Occupation | Other Directorships |
|---------|--|---|
| 1. | <p>Alok Harlalka DIN: 02486575 Designation: Chairman and Joint Managing Director Term: 5 years (commencing from August 8, 2023) Period of Directorship: Since May 18, 2010 Address: Flat No. 2805, Floor No. 28, Crescent Bay, Bhoiwada, Jerbai Wadia Road, Mumbai, Maharashtra, 400012 Occupation: Business Date of Birth: June 30, 1978 Nationality: Indian Age: 45</p> | <ol style="list-style-type: none"> 1. Gretex Corporate Services Limited 2. Gretex Industries Limited 3. Sankhu Merchandise Private Limited 4. Sunview Nirman Private Limited 5. Afterlink InfraProjects Private Limited 6. Association of Investment Bankers of India |
| 2. | <p>Arvind Harlalka DIN: 00494136 Designation: Managing Director Term: 5 years (commencing from August 8, 2023) Period of Directorship: Since April 8, 2016 Address: C/O 54/10, Fl-3e, Debendra Chandra Dey Road, Dhapa, Tangra, Kolkata, West Bengal, 700015 Occupation: Business Date of Birth: November 23, 1975 Nationality: Indian Age: 48</p> | <ol style="list-style-type: none"> 1. Gretex Corporate Services Limited 2. Sankhu Merchandise Private Limited 3. Gretex Industries Limited 4. Afterlink Infra Projects Private Limited 5. Sunview Nirman Private Limited 6. Signageus Value Advisors Private Limited |
| 3. | <p>Deepak Navinchandra Shah DIN: 02585061 Designation: Whole Time Director and Chief Financial Officer Term: 5 years (commencing from August 08, 2023) Period of Directorship: Since August 08, 2023</p> | NIL |

| Sr. No. | Name, DIN, Designation, Period of Directorship, Term, Date of Birth, Age, Nationality, Address, Occupation | Other Directorships |
|---------|--|---|
| | <p>Address: 701, 7th Floor, Ratnadeep Co-op Hsg Soc Ltd, Near Ghantali Temple, Vishnu Nagar, School No. 19, Navpada, Thane, Maharashtra- 400602.</p> <p>Occupation: Business</p> <p>Date of Birth: November 10, 1981</p> <p>Nationality: Indian</p> <p>Age: 42</p> | |
| 4. | <p>Vivek Joshi</p> <p>DIN: 01801442</p> <p>Designation: Independent Director</p> <p>Term: 5 Years (commencing from August 8, 2023)</p> <p>Period of Directorship: Since August 8, 2023</p> <p>Address: 702, Wing B. The Goregaon Ganesh CHS Ltd., MG Road, Vedant, Unnant Nagar 2 BHD Baliga Hospital, Goregaon West, Mumbai- 400104.</p> <p>Occupation: Business</p> <p>Date of Birth: August 14, 1963</p> <p>Nationality: Indian</p> <p>Age: 60</p> | NIL |
| 5. | <p>Anjali Vikas Sapkal</p> <p>DIN: 02136528</p> <p>Designation: Independent Director</p> <p>Term: 5 Years (commencing from August 8, 2023)</p> <p>Period of Directorship: Since August 8, 2023</p> <p>Address: Plot No.- 104, Flat No. 403, Ramya Co. Housing Society, Shivam Nursing Home, Charkop, Sector 2, Kandivali West, Mumbai, Maharashtra, 400067</p> <p>Occupation: Business</p> <p>Date of Birth: December 16, 1975</p> <p>Nationality: Indian</p> <p>Age: 48</p> | <ol style="list-style-type: none"> 1. Billwin Industries Limited 2. Universal Arts Limited 3. G M Polyplast Limited 4. TPI India Limited 5. Revati Organics Limited 6. Markolines Pavement Technologies Limited |
| 6. | <p>Jiten Talakchand Shah</p> <p>DIN:03147534</p> <p>Designation: Independent Director</p> <p>Term: 5 Years (commencing from August 8, 2023)</p> | NIL |

| Sr. No. | Name, DIN, Designation, Period of Directorship, Term, Date of Birth, Age, Nationality, Address, Occupation | Other Directorships |
|---------|--|-----------------------------|
| | <p>Period of Directorship: Since August 8, 2023</p> <p>Address: Flat No. B-601, Jaswanti Garden, Matoshri Ramabai Marg, Behind Liberty Garden, Malad West, Mumbai, Maharashtra, 400064</p> <p>Occupation: Business</p> <p>Date of Birth: April 6, 1975</p> <p>Nationality: Indian</p> <p>Age: 48</p> | |
| 7 | <p>Navdeep Nigam</p> <p>DIN: 09525830</p> <p>Designation: Additional Independent Director</p> <p>Term: 5 Years (commencing from November 29, 2023)</p> <p>Period of Directorship: Since November 29, 2023</p> <p>Address: 1704 Blue Mountain Building, A wing, Iraniwadi, upper Govind Nagar Malad East-400097, Mumbai.</p> <p>Occupation: Consultant</p> <p>Date of Birth: January 18, 1989</p> <p>Nationality: Indian</p> <p>Age: 34</p> | Retaggio Industries Limited |

Brief Profile of the Directors:

Alok Harlalka, is the Chairman and Joint Managing Director of the Company. He has been on the Board of Directors of the Company from May 18, 2010. He has completed his Higher Secondary Education from West Bengal Council. He is the driving force behind the Company, leading the management of the affairs since 13 years. His functional responsibility in our Company involves handling the overall business affairs including devising investment strategies and overall development of the business. He is also Nominee Director of Association of Investment Bankers of India (AIBI).

Arvind Harlalka, is the Managing Director of the Company. He has been on the Board of Directors of the Company from April 8, 2016. He holds a degree in Bachelor of Commerce from University of Calcutta and is qualified as a Company Secretary from the Institute of Company Secretaries of India. He is an Associate Member from September 10, 2010 and Fellow of the Institute of Company Secretaries of India since July 25, 2016. He is involved in stock broking Services and Market Making activities of the Company and leading the management of the affairs of the Company since 7 years.

Deepak Navinchandra Shah is the Whole Time Director and Chief Financial Officer of the Company. He has been associated with the Company as Chief Financial Officer since July 03, 2023. He holds a degree in Bachelor of Commerce from University of Mumbai. He has done certification courses in Capital Market from Inter-connected Stock Exchange of India Ltd-Training & Research Centre. He was deputed on ISE Securities and Services Ltd. (wholly owned subsidiary of Inter Connected Stock Exchange of India Limited) since December 06, 2006 till January 18, 2008 in Accounts Department and he was designated as Assistant Manager in the same Department from June 06, 2007 till January 18, 2008. He was also previously employed with Asit. C.Mehta

Investments Intermediates Limited from January 28, 2008 to May 31, 2008. He was a Manager in Accounts Team at Inventure Growth and Securities Limited and its subsidiary namely Inventure Finance Pvt. Ltd from July 07, 2008 to March 31, 2022. He has approximately 15.5 years of experience.

Vivek Joshi is an Independent Director of the Company. He has been associated with the Company since August 8, 2023. He holds a degree in Bachelor of Commerce from University of Bombay. He is an Associate Member of the Institute of Chartered Accountants of India since February 7, 1986. He was working as an Assistant Audit Manager at A.F Ferguson & Co. from February 10, 1986 to February 27, 1989. He was previously also employed in KPMG, Dubai from October 15, 1989 to February 10, 1991. He is a partner in Vivek Joshi & Associates since January 21, 2002 until date. He has approximately 25 years of experience.

Anjali Vikas Sapkal is an Independent Director of the Company. She has been associated with the Company since August 8, 2023. She holds a degree in Bachelors of Science and Masters of Management Science from University of Pune. She also holds a diploma in Business Management from University of Pune. She has been appointed as a director since the last 3 years on the Board of Directors of certain Companies.

Jiten Talakchand Shah is an Independent Director of the Company. He has been associated with the Company since August 8, 2023. He holds a degree in Bachelor of Commerce from University of Bombay. He was a director at Qual Commerce Private Limited from January 10, 2011 till December 24, 2015. He is a partner at J D Consultancy since June 06, 2022 to till date. He has approximately 4 years of experience.

Navdeep Nigam is an Additional Independent Director of the Company. He has been associated with the Company since November 29, 2023. He holds a degree in Bachelor of Engineering from Rajeev Gandhi Proudyogiki Mahavidyalaya, Bhopal. He also holds Master of Science in International Business and Management. He was previously employed in Capita India Private Limited from November 20, 2014 to May 13, 2016. He was employed as Principal Business Consultant in the Digital Performance Monitoring & Analytics Domain of Equancy Business Consultancy Private Ltd. From May 2017 to November, 2022. He has approximately 5 years of experience. He is on Board of Directors in Retaggio Industries Limited since October 1, 2022 till now.

Confirmations

- i. None of the Directors of the Company are Wilful Defaulters or Fraudulent Borrowers as on the date of this DRHP. None of the Directors of the Company are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018. Further, the Directors are not debarred from accessing the capital markets by SEBI.
- ii. None of the Directors are or have been directors in any of the listed companies which have been/ were delisted from the stock exchange(s). None of the directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the BSE Limited / National Stock Exchange of India Limited.
- iii. None of the Directors are or have been directors in any of the listed companies in the 5 (five) years preceding the date of the DRHP whose shares have been/were suspended from being traded on any of the stock exchange(s) during his / her tenure in that Company(ies).
- iv. There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the abovementioned Directors was selected as director or member of senior management.
- v. The Company has not entered into any service contracts with its Directors providing for benefits upon termination of employment.

Relationship between the Directors and any of the Directors and the Key Managerial Personnel and Senior Managerial Personnel

Except as stated below none of the Directors and Key Managerial Personnel are related to each other:

| Sr. No. | Name of the Director/Key Managerial Personnel | Related to | Relationship |
|---------|---|-----------------|--------------|
| 1. | Alok Harlalka | Arvind Harlalka | Brother |

Borrowing Powers

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on July 11, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) the consent of the shareholders of the Company be and is hereby accorded to borrow periodically from any Banks and/or public financial institutions as defined under Section 2(72) of the Companies Act, 2013 and/or any foreign financial institution(s) and/or any entity/entities or authority/authorities and/or through suppliers credit securities instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures (both convertible and non-convertible), commercial papers, short term loans, working capital loans, or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings including external commercial borrowings from the private sector window of multilateral financial institutions, either in rupees or in such other foreign currencies as may be permitted by law from time to time, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), subject to such aggregate borrowings not exceeding the amount which is Rs. 100 crores (Rupees One Hundred Crores only).

Further the Board is authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit.

Remuneration/Compensation/Commission paid to Directors

The details of remuneration of the Managing Directors:

Pursuant to the provisions of Section 197 read with Part II of Section I of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof) separate resolutions were passed by shareholders of the Company at the Extra Ordinary General Meeting held on August 08, 2023 and vide separate agreement dated November 09, 2023 signed between the Company and Alok Harlalka, Arvind Harlalka and Deepak Navinchandra Shah wherein the remuneration was fixed upto Rs.1,00,00,000/- (Rupees One Crore Only) each per month. Thereafter separate resolutions dated September 05, 2023 were passed by the Board of Directors in a Board Meeting under which the Board fixed the remuneration of the above Directors, in accordance with the above- referred shareholders' resolution dated August 08, 2023as follows:

Alok Harlalka, Chairman and Joint Managing Director

| Particulars | Remuneration (₹ in million) |
|--------------|-----------------------------|
| Basic Salary | ₹ 0.07/- per month |
| Perquisites | ₹ 0.03/- per month |

In Fiscal 2023, he received an aggregate compensation of ₹ 26.5 million.

Arvind Harlalka, Managing Director

| Particulars | Remuneration (₹ in million) |
|--------------|-----------------------------|
| Basic Salary | ₹ 0.21/- per month |

| | |
|-------------|--------------------|
| Perquisites | ₹ 0.09/- per month |
|-------------|--------------------|

In Fiscal 2023, he received an aggregate compensation of ₹ 6.6 million.

The details of remuneration of the Directors:

Deepak Navinchandra Shah, Whole Time Director

| Particulars | Remuneration (₹ in million) |
|--------------|-----------------------------|
| Basic Salary | ₹ 0.35/- per month |
| Perquisites | ₹ 0.15/- per month |

The Whole Time Director was not paid any compensation in Fiscal 2023, since he was appointed in Fiscal 2024.

Payment of sitting fees to Non-executive Independent Directors of our Company

As on the date of this Draft Red Herring Prospectus, pursuant to a resolution passed by the Board on October 11, 2023, the Non-Executive and Independent Directors Vivek Joshi, Anjali Vikas Sapkal, Jiten Talakchand Shah and Navdeep Nigam are each entitled to receive a sitting fee of up to ₹ 0.025 million each for attending meeting of the Board and for every meeting of the various committees of the Board.

The abovementioned remuneration and perquisites are subject to the ceiling laid down in Sections 197 and Schedule V of the Companies Act and all other applicable provisions of the Companies Act as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and with the approval of the Central Government as per the proviso to Sections 197(1) of Companies Act, 2013.

Except as stated in this DRHP, no amount or benefit has been paid by the Company within the 2 (two) preceding years or is intended to be paid or given by the Company to any of the Company's officers including its Directors and key managerial personnel and senior managerial personnel.

The Company does not have any bonus or profit-sharing plan for its Directors.

There is no contingent or deferred compensation payable to the Directors.

Remuneration paid to the Directors by the Subsidiary

As on date of this Draft Red Herring Prospectus, the Subsidiary has not paid any remuneration to the Directors, as disclosed in "Annexure XXXXI - Related Party Disclosures" on page F-38, under the chapter titled "Restated Consolidated Financial Statements" of this Draft Red Herring Prospectus.

Shareholding of the Directors in the Company

None of the Directors hold any Equity Shares in the Company.

Interest of Directors

The Directors are interested in the Company in the following manner:

- (a) All the Directors may be deemed to be interested to the extent of fees/remuneration, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association. For further details of interest of the Directors in the Company, see "Our Management - Remuneration/Compensation/Commission paid to Directors" beginning on page 176 of this DRHP.
- (b) Alok Harlalka, Joint Managing Director, who is the Karta of the Selling Shareholder Alok Harlalka HUF is deemed to be interested to the extent of Equity Shares and to the extent of any dividends payable to it and other distributions in respect of the said Equity Shares;
- (c) Except Alok Harlalka and Arvind Harlalka, none of the other Directors of the Company have any interest in the promotion of the Company by way of being Promoters of the Company, as on the date of this Draft Red

Herring Prospectus. Further, Alok Harlalka and Arvind Harlalka are Directors and Shareholders of Gretex Corporate Services Limited who is our Promoter Company.

- (d) The Directors have no interest in any property acquired by the Company or proposed to be acquired by the Company as of date of this DRHP. However, one of our Group Companies namely Gretex Industries Limited and our Company have entered into a Leave and License Agreement dated November 9, 2023 under which Gretex Industries Limited has taken the premises owned by our Company and situated at Office No. LGF 82- A WING, Builtup: 3012 Square Feet, situated on the Lower Ground, Ground & First Floor of a Building known as 'Express Zone', Western Express Highway, Goregaon East, Mumbai - 400 097, on license basis for a period of 11 (eleven) months commencing from November 1, 2023 for monthly license fees of Rs.20,000/-.
- (e) Our Company has entered into a leave and license agreement dated September 15, 2023 with Gretex Corporate Services Limited under which it has given on rent the property admeasuring 1347.50 sq. ft. carpet area out of the total carpet area of 2695 sq. ft. of the office premises situated unit no. A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India, to Gretex Corporate Services Limited for a license fee amounting to Rs. 5,00,000/- per month for a period of 11 (eleven) months commencing from October 1, 2023 to August 31, 2024. Alok Harlalka, Chairman and Joint Managing Director and Arvind Harlalka, Managing Directors of the Company are also on the Board of the Directors of Gretex Corporate Services Limited.
- (f) Alok Harlalka, Chairman and Joint Managing Director and Arvind Harlalka, Managing Directors of the Company are also on the Board of the Directors of one of our Group Companies namely Gretex Industries Limited.
- (g) Some of our Promoters and Directors are also Promoters and Directors or shareholders or persons in control of entities with which our Company has related party transactions and may be deemed to be interested to the extent of payments made by our Company, if any, to these entities. Other than the arrangements/ transactions disclosed in “Our Business” and “Annexure XXXXI - Related Party Disclosures” under the chapter titled “Restated Consolidated Financial Statements” on pages 151 and F-38 of this Draft Red Herring Prospectus, no sum has been paid or agreed to be paid to the Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or qualify him/her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of the Company.
- (h) Except as disclosed in this DRHP, no amount or benefit has been paid or given within the 2 (two) preceding years or is intended to be paid or given to any of the Directors either to induce them to become or to qualify them as Directors except the normal remuneration for services rendered by them as Directors.

Changes in the Board of Directors during the last 3 (three) years

The following changes have taken place in the Board of Directors of the Company during the last 3 (three) years:

| Sr. No | Name | Date of Appointment/ change | Reason |
|--------|--------------------------|-----------------------------|--|
| 1. | Deepak Navinchandra Shah | August 8, 2023 | Appointed as Additional Executive Director |
| 2. | Deepak Navinchandra Shah | August 8, 2023 | Appointed as Whole-time Director |
| 3. | Arvind Harlalka | August 8, 2023 | Change in designation from Non-Executive Director to Managing Director |
| 4. | Alok Harlalka | August 8, 2023 | Change in designation from Executive Director to Joint Managing Director |
| 5. | Vivek Joshi | August 8, 2023 | Appointed as Additional Independent Director |
| 6. | Vivek Joshi | August 8, 2023 | Appointed as Independent Director |
| 7. | Anjali Vikas Sapkal | August 8, 2023 | Appointed as Additional Independent Director |
| 8. | Anjali Vikas Sapkal | August 8, 2023 | Appointed as Independent Director |

| | | | |
|-----|-----------------------|-------------------|--|
| 9. | Jiten Talakchand Shah | August 8, 2023 | Appointed as Additional Independent Director |
| 10. | Jiten Talakchand Shah | August 8, 2023 | Appointed as Independent Director |
| 11. | Navdeep Nigam | November 29, 2023 | Appointed as Additional Independent Director |

Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to the Company immediately upon the listing of the Equity Shares on the Stock Exchanges. The Company is in compliance with the requirements of the applicable provisions of the SEBI Listing Regulations, and the Companies Act, 2013, in respect of corporate governance including constitution of the Board of Directors and committees thereof.

The Board of Directors has been constituted in compliance with the Companies Act, 2013, the SEBI Listing Regulations and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board, or through various committees constituted to oversee specific functions.

Currently the Board of Directors has 7 (seven) Directors of which 3 (three) are Executive Directors, and 4 (four) are Independent Directors and with 1 (one) woman Director on the Board.

Committee of the Board in accordance with the SEBI Listing Regulations

I. Audit Committee

Audit Committee was constituted vide Board Resolution dated September 05, 2023. The Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 and Part C of Schedule II of the SEBI LODR Regulations. The existing Audit Committee of the Company comprises of the following:

- (i) Vivek Joshi – Chairman;
- (ii) Alok Harlalka – Member;
- (iii) Jiten Talakchand Shah – Member;

The Audit Committee shall meet at least four times a year with maximum interval of 120 days between two meetings of the Audit Committee.

The role of the Audit Committee shall be in accordance with section 177 of the Companies Act, 2013 and as per Regulation 18 and Part C of Schedule II of SEBI LODR Regulations. The role of the Audit Committee shall include the following:

- (2). oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (3). recommendation for appointment, remuneration and terms of appointment of auditors of the Company ;
- (4). approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (5). 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 (the term “related party transaction” shall have the same meaning as assigned to it under the SEBI Listing Regulations, and any amendment made to it);
 - g. modified opinion(s) in the draft audit report;
- (6). reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- (7). 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 / DRHP / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (8). reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (9). approval or any subsequent modification of transactions of the Company with related parties;
- (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). to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (19). to review the functioning of the whistle blower mechanism;
- (20). approval of appointment of chief financial officer 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;
- (22). reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances /investments existing as on the date of coming into force of this provision..
- (23). consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

- (1). management discussion and analysis of financial condition and results of operations;
- (2). management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3). internal audit reports relating to internal control weaknesses; and
- (4). the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (5). statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted vide Board Resolution dated September 05, 2023. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 and Part D of Schedule II of SEBI LODR Regulations. The members of the Nomination and Remuneration Committee are:

- i. Jiten Talakchand Shah – Chairman;
- ii. Anjali Vikas Sapkal – Member;
- iii. Vivek Joshi– Member;

The Nomination and Remuneration Committee shall meet at once a year.

The role of the Nomination and Remuneration Committee shall be in accordance with Section 178 of the Companies Act 2013 and as per Regulation 19 and Part D of Schedule II of SEBI LODR Regulations 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.

III. Stakeholders Relationship Committee

Stakeholders Relationship Committee was constituted vide the Board Resolution dated September 05, 2023. The Stakeholders Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and as per Regulation 20 and Part D of Schedule II of the SEBI LODR Regulations. The members of the Stakeholders Relationship Committee are:

- (i) Vivek Joshi – Chairman;
- (ii) Alok Harlalka – Member;
- (iii) Jiten Talakchand Shah – Member;

The frequency of meetings of Stakeholders Relationship Committee is at least once in a year.

The role of the Stakeholders Relationship Committee shall be in accordance with Section 178 of the Companies Act, 2013 and as per Regulation 20 and Part D of Schedule II of the SEBI LODR Regulations and is as follows:

- (1). Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2). Review of measures taken for effective exercise of voting rights by shareholders.
- (3). Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4). Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

IV. IPO Committee

The IPO Committee was constituted vide the Board Resolution dated September 05, 2023. The members of the

IPO Committee are:

- (i) Alok Harlalka – Chairman;
- (ii) Arvind Harlalka – Member;
- (iii) Deepak Navinchandra Shah – Member;

The scope and functions of the IPO Committee are:

- (1) To decide, negotiate and finalise the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead manager appointed in relation to the Issue (“**BRLM**”);
- (2) to decide in consultation with the BRLM the actual size of the Issue and taking on record the number of equity shares, having face value of ₹ 10/- per equity share (the “**Equity Shares**”), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
- (3) to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, monitoring agency, industry expert, legal counsels, depositories, custodians, credit rating agencies, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and issue agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
- (4) to make any alteration, addition or variation in relation to the Issue, in consultation with the BRLM or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure and the exact component of issue of Equity Shares;
- (5) to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”), the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed (“**Stock Exchanges**”), the RoC, institutions or bodies, as may be applicable;
- (6) to invite the existing shareholders of the Company to participate in the Issue, if required.
- (7) to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), Companies Act, 2013, as amended and other applicable laws;
- (8) to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them, if required;
- (9) to open separate escrow accounts as the escrow account to receive application monies from anchor investors/underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made;
- (10) to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended;
- (11) to do all such deeds and acts as may be required to dematerialize the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with the Central Depository Services (India) Limited/National Securities Depository Limited, registrar and transfer agents and such other

agencies, as may be required in this connection, with power to authorize one or more officers of the Company to execute all or any such documents;

- (12) to negotiate, finalise, sign, execute and deliver or arrange the delivery of the issue agreement, syndicate agreement, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Issue, monitoring agency, legal counsel, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
- (13) to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), RoC and such other statutory and governmental authorities in connection with the Issue, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
- (14) to make in-principle and final applications for listing and trading of the Equity Shares on one or more Stock Exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
- (15) to determine and finalize, in consultation with the BRLM, the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation/allotment and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
- (16) to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
- (17) to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;
- (18) to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company’s lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws;
- (19) to determine the price at which the Equity Shares are offered, issued, allocated, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- (20) to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
- (21) to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments and make applications, as may be necessary for the purpose of or in connection with the Issue;
- (22) to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;

- (23) to withdraw the DRHP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and applicable laws;
- (24) To determine the utilization of proceeds of the Fresh Issue, if applicable and accept and appropriate proceeds of such Fresh Issue in accordance with the Applicable Laws;
- (25) To authorize any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Issue or provide clarifications to the SEBI, Registrar of Companies and the relevant Stock Exchange(s) where the Equity Shares are to be listed;
- (26) to authorize and empower officers of the Company (each, an “**Authorized Officer(s)**”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the Stock Exchange(s), the registrar’s agreement and memorandum of understanding, the depositories’ agreements, the issue agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.
- (27) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalize the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLM;
- (28) To approve the list of ‘group companies’ of the Company, identified pursuant to the materiality policy adopted by the Board, for the purpose of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus;
- (29) To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company.

V. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted vide the Board Resolution dated September 05, 2023. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act, 2013 read with Rule 5 of the Companies Act (Corporate Social Responsibility) Rules, 2014. The members of the Corporate Social Responsibility Committee are:

- (i) Alok Harlalka– Chairman;
- (ii) Arvind Harlalka– Member;
- (iii) Deepak Navinchandra Shah – Member;
- (iv) Jiten Talakchand Shah – Member;
- (v) Vivek Joshi- Member.

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act, 2013 read with Rule 5 of the Companies Act (Corporate Social Responsibility) Rules, 2014:

- a) To formulate and recommend to the Board, a corporate social responsibility policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan.
- b) The annual action plan shall include the following:-
 - i. the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
 - ii. the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
 - iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - iv. Monitoring and reporting mechanism for the projects or programmes.
 - v. Details of need and impact assessment, if required, for the projects undertaken by the Company.
- c) Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years.
- d) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- e) To monitor the corporate social responsibility policy from time to time;
- f) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company.
- g) to delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities.
- h) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- i) To perform such other duties and function as the Board may require the CSR committee to undertake to promote the corporate social responsibility activities of the company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Act.
- j) To take note of the compliance made by implementing agency (if any) appointed for the corporate social responsibility of the Company;
- k) Any such terms of reference as may be prescribed under the Companies Act.

Other Committees

In addition to the committees mentioned in “Committees of the Board” on page no 179, the Company has constituted the Finance and Operating Committee with Alok Harlalka, Arvind Harlalka and Deepak Navinchandra Shah as members.

Key Managerial Personnel

For details of the biographies of the Managing Directors, Joint Managing Director and Whole-time Director, see-Brief Profile of Directors on page 172 of this DRHP

Given below are the details of the Key Managerial Personnel, other than the Company’s Managing Director, Joint Managing Director and Whole-time Director in terms of the SEBI ICDR Regulations, and Companies Act, 2013 as on the date of this DRHP:

(1) **Niket Pradipkumar Thakkar** is the Company Secretary and Compliance Officer of the Company. He was appointed as the Company Secretary and Compliance Officer w.e.f. August 21, 2023. He holds a degree of Bachelors in Business Administration from Saurashtra University, Rajkot. He is an associate member of The Institute of Company Secretaries of India. In the Financial Year 2023, he received NIL remuneration as he was appointed in the Financial Year 2024.

Senior Management Personnel

(1) **Meenu Walia** is the Compliance Officer of the Company. She was appointed as the Compliance Officer w.e.f March 10, 2023. She holds a degree in Bachelor of Arts from Punjab University. She has done Diploma in Computer Fundamentals & Programming Concepts from Centre for Advance Learning in Computers- Electronics Corporation of Punjab. She was working with Renaissance Management Consultants Limited since November, 1998 up till 2005. She was previously employed as Client Relation – Manager in M/s R.K.Global Shares & Securities Ltd. She held positions of Executive – Back Office, Assistant Manager and Deputy Manager- Legal and Compliance at SBI Cap Securities. She was also previously employed with Axis Capital Limited as Assistant Vice President. She has over 16 years of work experience. In the Financial Year 2023, she received a gross remuneration of ₹ 0.14 millions.

(2) **Utsav Agarwal** is the Vice President-Investor Relations of the Company. He was appointed as the Vice President of the Company w.e.f. September 1, 2023. He holds a degree of Bachelor of Commerce from Rajasthan University. He has also qualified as a Chartered Accountant from the Institute of Chartered Accountants of India. He was previously employed as Senior Associate- Investment Banking in NNM NextGen Advisory Private Limited. He was working with Redkenko Health Tech Private Limited as Assistant Vice President-Finance. He has approximately 6 years of experience. In the Financial Year 2023, he has received Nil remuneration as he was appointed in Financial Year 2024.

(3) **Abhinav Chauhan** is the Marketing Head of the Company. He was appointed as the Marketing Head of the Company w.e.f. August 16, 2023. He was also appointed in management cadre at American Express Services India Limited as a Relationship Officer Assistant Manager. He was previously employed as Marketing Head at Entym Inc. USA. He has over 2 years of experience. In the Financial Year 2023, he has received Nil remuneration as he was appointed in Financial Year 2024.

(4) **Jignesh Jayantikumar Lathigra** is the RMS & Operation Head of the Company. He was appointed as the RMS & Operation Head of the Company w.e.f December 01, 2022. He holds a degree in Bachelor of Commerce (Three Year Integrated Course) from University of Mumbai. He was working as RMS Manager in Pentagon Stock Brokers Pvt. Ltd from September 01, 2016 to November 30, 2022. He has approximately over 6 years of experience. In the Financial Year 2023, he received a gross remuneration of ₹ 0.5 million.

- i. The Company has not entered into any service contracts, pursuant to which its KMPs and SMPs are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, the KMPs and SMPs are not entitled to any other benefit upon termination of employment or superannuation.
- ii. None of the Directors are related to any of the other directors, KMPs and SMPs as per the definition “Relative” under the Section 2(77) of Companies Act, 2013 except as stated in “*Relationship between the Directors and any of the Directors and the Key Managerial Personnel and Senior Managerial Personnel*” in “*Our Management*” on page no 176 of this DRHP.
- iii. There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned KMPs and SMPs have been recruited as KMPs and SMPs.
- iv. All the key managerial personnel and senior managerial personnel mentioned above are permanent employees of the Company and except Alok Harlalka and Arvind Harlalka who are brothers none of them are related to each other or to any Director of the Company.
- v. As on the date of filing of this DRHP, the Company does not have a performance linked bonus or a profit sharing plan with the KMPs and SMPs.
- vi. There is no contingent or deferred compensation payable to the KMPs and SMPs, which does not form part of their remuneration.
- vii. No non-salary-related payments or benefits have been made to the KMPs and SMPs based on targets achieved and general performance.
- viii. Attrition of KMPs and SMPs in the Company is not high as compared to the industry.

Shareholding of Key Management Personnel and Senior Managerial Personnel

None of the KMPs and SMPs hold any Equity Shares in our Company.

Employees

As of September 30, 2023, we had 22 employees.

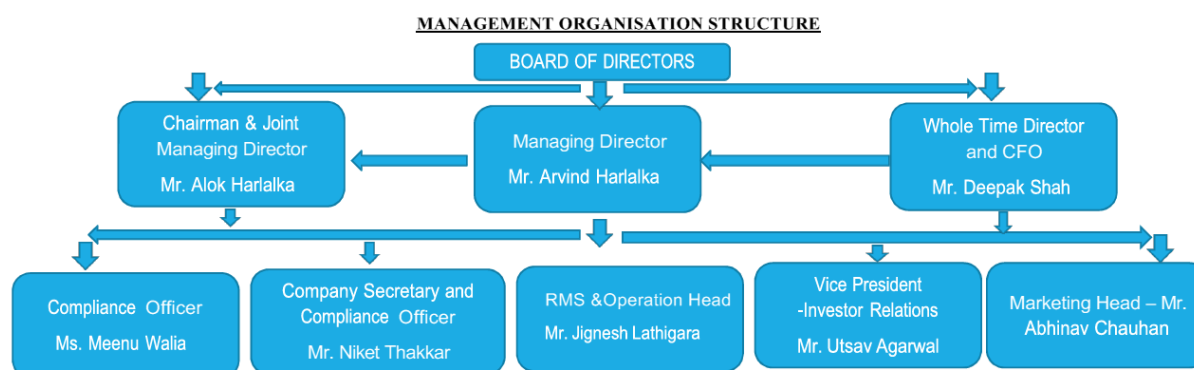
Employee stock option and stock purchase schemes

As on date of this DRHP, the Company does not have employee stock option and stock purchase schemes.

Payment or Benefit to Key Managerial Personnel and Senior Managerial Personnel of the Company

No amount or benefit has been paid or given to any officer of the Company within the two years preceding the date of this DRHP or is intended to be paid or given, other than in the ordinary course of their employment.

Management Organizational Structure



Changes in the Key Managerial Personnel and Senior Managerial Personnel of the Company in the last 3 (three) years preceding the date of this DRHP

| Name | Designation | Reason | Date of Appointment / Change in designation |
|-------------------------------|--|---|---|
| Abhishek Kumar Singh | Compliance Officer | Appointment as Compliance Officer | November 11, 2022 |
| Jignesh Jayantikumar Lathigra | RMS & Operation Head | Appointment as RMS & Operation Head | December 01, 2022 |
| Ravi Mahadev Bombarde | Company Secretary | Resignation as Company Secretary | January 9, 2023 |
| Abhishek Kumar Singh | Compliance Officer | Resignation as Compliance Officer | March 10, 2023 |
| Meenu Walia | Compliance Officer | Appointment as Compliance Officer | March 10, 2023 |
| Deepak Navinchandra Shah | Chief Financial Officer | Appointment as Chief Financial Officer | July 13, 2023 |
| Niket Pradipkumar Thakkar | Company Secretary and Compliance Officer | Appointment as Company Secretary and Compliance Officer | August 21, 2023 |
| Utsav Agarwal | Vice President- Investor Relations | Appointment as Vice President- Investor Relations | September 1, 2023 |
| Abhinav Chauhan | Marketing Head | Appointment as Marketing Head | August 16, 2023 |

OUR PROMOTERS AND PROMOTER GROUP

Alok Harlalka, Arvind Harlalka, Anita Harlalka, Rajkumari Harlalka, Pooja Harlalka, Sashi Harlalka, Gretex Corporate Services Limited, Ambition Tie-Up Private Limited and Talent Investment Company Private Limited are the Promoters of the Company. As on date of this Draft Red Herring Prospectus, the Promoters in aggregate, holds 4,51,27,260 Equity Shares in the Company, representing 91.21% of the issued, subscribed and paid-up Equity Share capital of the Company.

For details of the build-up of the Promoters' Equity shareholding in the Company, see "*Capital Structure– History of the Equity Share capital held by the Promoters*", on page 74 of this Draft Red Herring Prospectus.

Details of our Individual Promoters

| Name | Details |
|---|--|
|  | <p>Alok Harlalka, aged 45 years, is one of the Promoters, Chairman and Joint Managing Director of the Company. For his complete profile along with the details of his date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled "<i>Our Management</i>" beginning on page 172.</p> <p>PAN: AASPH1425L</p> |
|  | <p>Arvind Harlalka, aged 48 years, is one of the Promoters and Managing Director of the Company. For his complete profile along with the details of his date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled "<i>Our Management</i>" beginning on page 172.</p> <p>PAN: AAYPH6510Q</p> |
|  | <p>Anita Harlalka, aged 52 years is one of the Promoters of the Company. Date of birth: September 10, 1971 Address: 54/10, D.C. Dey Rd., Tangra, BL- 6B, FL 3E, Kolkata, Pin: 700015, West Bengal, India. PAN: ACWPJ4160E Anita Harlalka holds directorships in one of our Promoters, Talent Investment Company Private Limited and in one of our Group Companies, Apsara Selections Limited. As on date of filing of this Draft Red Herring Prospectus, Anita Harlalka does not hold any Equity Shares of the Company.</p> |
|  | <p>Rajkumari Harlalka, aged 65 years, is one of the Promoters of the Company. Date of birth: August 13, 1958 Address: 54/10, BL-6, FL-3E, D.C. Dey Road, Tangra, Kolkata, West Bengal - 700015 PAN: AAPPH3891M Rajkumari Harlalka is a Managing Director of one of our Group Companies, Gretex Industries Limited. She also holds Directorships in our Group Companies viz. Apsara Selections Limited and Sankhu Merchandise Private Limited and in one of our Promoters, Talent Investment Company Private Limited. As on date of filing of this Draft Red Herring Prospectus, Rajkumari Harlalka does not hold any Equity Shares of the Company.</p> |

| | |
|--|--|
|  | <p>Pooja Harlalka, aged 45 years, is one of the Promoters of the Company.</p> <p>Date of birth: May 21, 1978 Address: 54/10, D.C. Dey Road, BL-6, FL-3H, Kolkata, Pin: 700015, West Bengal, India</p> <p>PAN: ABOPH0299P</p> <p>Educational qualifications: Pooja Harlalka has completed her Higher Secondary Education from West Bengal Council of Higher Secondary Education</p> <p>Pooja Harlalka holds Directorships in our Promoters viz. Ambition Tie-Up Private Limited and Gretex Corporate Services Limited, in our Subsidiary, Signageus Value Private Limited, in our Group Companies viz. Apsara Selections Limited and Sunview Nirman Private Limited and in Interestive Financial Services Private Limited.</p> <p>As on date of filing of this Draft Red Herring Prospectus, Pooja Harlalka holds 21,60,000 Equity Shares representing 4.37% of the subscribed and paid-up Equity Share capital of the Company.</p> |
|  | <p>Sashi Harlalka, aged 41 years, is one of the Promoters of the Company.</p> <p>Date of birth: March 13, 1982 Address: AC-388, Krishnapur Main Road, 4C, Shivan Tower, Barutalla, Kestopur, Kolkata - 700102</p> <p>PAN: BCBPS1631R</p> <p>Sashi Harlalka holds Directorships in one of our Promoters, Ambition Tie-Up Private Limited, in one of our Group Companies Apsara Selections Private Limited, in Suhaan Cloth Merchant Private Limited, Suhaan E-Commerce Private Limited, Rahela Trader Private Limited, Suhaan Software Development Private Limited, and Suhaan Fabrico Private Limited.</p> <p>As on date of filing of this Draft Red Herring Prospectus, Sashi Harlalka holds 8,58,000 Equity Shares representing 1.73% of the subscribed and paid-up Equity Share capital of the Company.</p> |

The Company confirms that PAN, bank account number(s), passport numbers, Aadhar Card numbers, driving license numbers as applicable, shall be submitted to the Stock Exchange(s) at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Details of our Corporate Promoters

I. Gretex Corporate Services Limited

Corporate Information

Gretex Corporate Services Limited was originally incorporated as 'Dynamic Tradeserv Private Limited' on September 5, 2008 under the Companies Act, 1956. Subsequently, the name was changed to 'Gretex Corporate Services Private Limited' and fresh certificate of incorporation on consequent upon change of name was issued on May 31, 2013 by Registrar of Companies, West Bengal. Further, the name was changed to 'Gretex Corporate Services Limited' and fresh certificate of incorporation upon conversion from private company to public company was issued on May 12, 2021 by Registrar of Companies, Mumbai. Its Corporate Identification Number is L74999MH2008PLC288128. The registered office of Gretex Corporate Services Limited is situated at A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India. There have been no changes to the primary business activities undertaken

by Gretex Corporate Services Limited.

Nature of Business

Gretex Corporate Services Limited is primarily engaged in the business of merchant banking and is offering diversified financial and consultancy services in the areas of capital markets, corporate finance, corporate restructuring and compliance advisory.

Shareholding Pattern of Gretex Corporate Services Limited

The following table sets forth the details of the shareholding pattern of the Gretex Corporate Services Limited, as on September 30, 2023:

| Category (I) | Category of Shareholder (II) | Nos. of Shareholders (III) | No. of fully paid up equity shares held (IV) | No. of partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII)=(IV + (V)+(vi)) | Share holding as a % total No. of shares (calculated as per SCRR, 1957 (VII) As a % of A+B+C 2) | Number of voting rights held in each class of securities (IX) | | | No. of shares underlying outstanding convertible securities (including Warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | No. of locked in shares (XII) | | No. of shares pledged or otherwise encumbered (XIII) | | (c) No. of equity shares held in dematerialized form (XIV) | |
|--------------|--------------------------------|----------------------------|--|--|---|--|---|---|----------------|-----------------------|--|--|-------------------------------|------------------|--|-------------|--|---------------------------------|
| | | | | | | | | No. of voting Rights | | | | | Total as a % of A+B+C | No. (a) | As a % of total shares held (b) | No. (a) | | As a % of total shares held (b) |
| | | | | | | | | Class (Equity) | Class (Others) | Total | | | | | | | | |
| (A) | Promoter & Promoter Group | 14 | 76,27,815 | N.A. | N.A. | 76,27,815 | 66.24 | 76,27,815.00 | N.A. | 76,27,815.00 | 66.24 | N.A. | 66.24 | 20,52,000 | 26.90 | N.A. | N.A. | 76,27,815 |
| (B) | Public | 910 | 38,87,730 | N.A. | N.A. | 38,87,730 | 33.76 | 38,87,730.00 | N.A. | 38,87,730.00 | 33.76 | N.A. | 33.76 | N.A. | N.A. | N.A. | N.A. | 38,87,730 |
| (C) | Non Promoter-Non Public | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| (C1) | Shares underlying DRs | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| (C2) | Shares held by Employee Trusts | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| | Total | 924 | 1,15,15,545 | N.A. | N.A. | 1,15,15,545 | 100.00 | 1,15,15,545.00 | N.A. | 1,15,15,545.00 | 100.00 | N.A. | 100.00 | 20,52,000 | 17.82 | N.A. | N.A. | 1,15,15,545 |

For further details pertaining to the shareholding pattern of Gretex Corporate Services Limited, please refer to the following link <https://www.bseindia.com/stock-share-price/gretex-corporate-services-ltd/gcsl/543324/shareholding-pattern/>

Promoters of Gretex Corporate Services Limited

The promoters of Gretex Corporate Services Limited are Alok Harlalka, Arvind Harlalka and Bonanza Agency LLP.

Natural Persons in control of Gretex Corporate Services Limited

Following are the partners of Bonanza Agency LLP:

| Sr. no. | Name of Partner | Profit Sharing Ratio |
|----------------|------------------------|-----------------------------|
| 1. | Lambodar Dealcom LLP | 99.98% |
| 2. | Anita Harlalka | 0.02% |
| | Total | 100% |

Following are the partners of Lambodar Dealcom LLP

| Sr. no. | Name of Partner | Profit Sharing Ratio |
|----------------|------------------------|-----------------------------|
| 1. | Rajkumari Harlalka | 10% |
| 2. | Anita Harlalka | 19% |
| 3. | Sashi Harlalka | 5% |
| 4. | Alok Harlalka | 21% |
| 5. | Pooja Harlalka | 21% |
| 6. | Arvind Harlalka | 19% |
| 7. | Sumeet Harlalka | 5% |
| | Total | 100% |

Accordingly, Rajkumari Harlalka, Anita Harlalka, Alok Harlalka, Pooja Harlalka and Arvind Harlalka are the natural persons in control of Gretex Corporate Services Limited.

Board of Directors of Gretex Corporate Services Limited

The directors of Gretex Corporate Services Limited are Sumeet Harlalka, Alok Harlalka, Pooja Harlalka, Arvind Harlalka, Khusbu Agrawal, Rajiv Kumar Agarwal and Dimple Lakshminarayan Khetan.

Change in control of Gretex Corporate Services Limited

There has been no change in the control of Gretex Corporate Services Limited during the last three years preceding the date of this Draft Red Herring Prospectus.

The Company confirms that PAN, bank account number(s), as applicable, corporate registration and the address of the Registrar of Companies where Gretex Corporate Services Limited is registered, shall be submitted to the Stock Exchange(s) at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Other ventures of Gretex Corporate Services Limited

Except as set out in this chapter under heading “Promoter Group” and Apsara Selection Limited in which Gretex Corporate Services Limited holds 50,000 Equity Shares constituting 11.68% of its issued, subscribed and paid-up equity share capital, Gretex Corporate Services Limited is not involved with any other venture, as a shareholder/stakeholder, proprietor, partner or promoter.

II. Ambition Tie-Up Private Limited

Corporate Information

Ambition Tie-Up Private Limited was incorporated as a private company on January 18, 2006 under the Companies Act, 1956. Its Corporate Identification Number is U51109WB2006PTC107374. The registered office of Ambition Tie-Up Private Limited is situated at 158 Lenin Sarani 3rd Floor, Room No 7b, Kolkata, West

Bengal, India, 700013. There have been no changes to the primary business activities undertaken by Ambition Tie-Up Private Limited.

Nature of Business

Ambition Tie-Up Private Limited is inter alia authorized to engage in the business of trading.

Shareholding Pattern of Ambition Tie-Up Private Limited

The following table sets forth the details of the shareholding pattern of the Ambition Tie-Up Private Limited, as on the date of this Draft Red Herring Prospectus:

| Sr. No | Name of Shareholders | Number of Equity Shares | Percentage (%) of shareholding |
|--------|----------------------|-------------------------|--------------------------------|
| 1. | Reliable Suppliers | 76,950 | 49.97% |
| 2. | Gravity Investment | 76,950 | 49.97% |
| 3. | Pooja Harlalka | 100 | 0.06% |
| | Total | 1,54,000 | 100% |

Promoters of Ambition Tie-Up Private Limited

The promoters of Ambition Tie-Up Private Limited are Reliable Suppliers, Gravity Investment and Pooja Harlalka.

Natural Persons in Control of Ambition Tie-Up Private Limited

Following are the partners of Reliable Suppliers:

| Sr. no. | Name of Partner | Profit Sharing Ratio |
|---------|-----------------|----------------------|
| 1. | Anita Harlalka | 50% |
| 2. | Pooja Harlalka | 50% |
| | Total | 100% |

Following are the partners of Gravity Investment:

| Sr. no. | Name of Partner | Profit Sharing Ratio |
|---------|--------------------|----------------------|
| 1. | Rajkumari Harlalka | 50% |
| 2. | Sashi Harlalka | 50% |
| | Total | 100% |

Accordingly, Anita Harlalka, Pooja Harlalka, Rajkumari Harlalka and Sashi Harlalka are the natural persons in control of Ambition Tie-Up Private Limited.

Board of Directors of Ambition Tie-Up Private Limited

The directors of Ambition Tie-Up Private Limited are Sashi Harlalka and Pooja Harlalka.

Change in control of Ambition Tie-Up Private Limited

There has been no change in the control of Ambition Tie-Up Private Limited during the last three years preceding the date of this Draft Red Herring Prospectus.

The Company confirms that PAN, bank account number(s), as applicable, corporate registration and the address of the Registrar of Companies where Ambition Tie-Up Private Limited is registered shall be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Other ventures of Ambition Tie-Up Private Limited

Except as set out in this chapter under heading “Promoter Group”. Ambition Tie-Up Private Limited is not involved with any other venture, as a shareholder/stakeholder, proprietor, partner or promoter

III. Talent Investment Company Private Limited

Corporate Information

Talent Investment Company Private Limited was incorporated as a private company on September 15, 1984 under the Companies Act, 1956. Its Corporate Identification Number is U67120WB1984PTC037950. The registered office of Talent Investment Company Private Limited is situated at 158 Lenin Sarani 3rd Floor, Room No 7b, Kolkata, Kolkata, West Bengal, India, 700013. There have been no changes to the primary business activities undertaken by Talent Investment Company Private Limited.

Nature of Business

Talent Investment Company Private Limited is inter alia authorized to invest capital to purchase securities.

Shareholding Pattern of Talent Investment Company Private Limited

The following table sets forth the details of the shareholding pattern of the Talent Investment Company Private Limited, as on the date of this Draft Red Herring Prospectus:

| Sr. No | Name of Shareholder | Number of Equity Shares | Percentage (%) of shareholding |
|---------------|----------------------------|--------------------------------|---------------------------------------|
| 1. | Novelty Financials | 95,999 | 49.97% |
| 2. | Jagdamba Financials | 95,999 | 49.97% |
| 3. | Anita Harlalka | 100 | 0.05% |
| | Total | 1,92,098 | 100% |

Promoters of Talent Investment Company Private Limited

The promoters of Talent Investment Company Private Limited are Novelty Financials, Jagdamba Financials and Anita Harlalka.

Natural Persons in control of Talent Investment Company Private Limited

Following are the partners of Novelty Financials:

| Sr. no. | Name of Partner | Profit Sharing Ratio |
|----------------|------------------------|-----------------------------|
| 1. | Anita Harlalka | 50% |
| 2. | Pooja Harlalka | 50% |
| | Total | 100% |

Following are the partners of Jagdamba Financials:

| Sr. no. | Name of Partner | Profit Sharing Ratio |
|----------------|------------------------|-----------------------------|
| 1. | Rajkumari Harlalka | 50% |
| 2. | Sashi Harlalka | 50% |
| | Total | 100% |

Accordingly, Anita Harlalka, Pooja Harlalka, Rajkumari Harlalka and Sashi Harlalka are the natural persons in control of Talent Investment Company Private Limited.

Board of Directors of Talent Investment Company Private Limited

The directors of Talent Investment Company Private Limited are Anita Harlalka and Rajkumari Harlalka.

Change in control of Talent Investment Company Private Limited

There has been no change in the control of Talent Investment Company Private Limited during the last three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that PAN, bank account number(s), as applicable, corporate registration and the address of the Registrar of Companies where Talent Investment Company Private Limited is registered shall be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Other ventures of Talent Investment Company Private Limited

Except as set out in this chapter under heading "Promoter Group". Talent Investment Company Private Limited is not involved with any other venture, as a shareholder/stakeholder, proprietor, partner or promoter

Change of control of the Company

Our Promoters are Alok Harlalka, Arvind Harlalka, Anita Harlalka, Rajkumari Harlalka, Pooja Harlalka, Sashi Harlalka, Gretex Corporate Services Limited, Ambition Tie-Up Private Limited and Talent Investment Company Private Limited. Our Promoters are not the original promoters of our Company. However, there has not been any change in the management or control of the Company during the last 5 (five) years preceding the date of this Draft Red Herring Prospectus. For further details, see "Capital Structure" beginning on page 70.

Further, Alok Harlalka, Arvind Harlalka, Anita Harlalka, Rajkumari Harlalka, Pooja Harlalka, Sashi Harlalka, Gretex Corporate Services Limited, Ambition Tie-Up Private Limited and Talent Investment Company Private Limited have been identified as the Promoters of the Company pursuant to a resolution passed by the Board of Directors of the Company on December 7, 2023. For further details of acquisitions of Equity Shares by the Promoters, see “*Capital Structure*” on page 70 of this Draft Red Herring Prospectus.

Experience in the proposed line of business

Except Alok Harlalka, Arvind Harlalka, and Gretex Corporate Services Limited (to the extent of mandatory underwriting activities undertaken by Gretex Corporate Services Limited as per SEBI Regulations) none of the other Promoters have experience in the business activities undertaken by the Company.

Interest of Promoters

1. The Promoters are interested in the Company to the extent that (i) they have promoted the Company; (ii) their shareholding in the Company and the dividends payable, if any, and other distributions in respect of the Equity Shares held by them. For further details, see “*Capital Structure*” and “*Annexure XXXXI - Related Party Disclosures*” under the chapter titled “*Restated Consolidated Financial Statements*” on pages 70, and F-38 respectively of this Draft Red Herring Prospectus.
2. The Promoters namely Alok Harlalka and Arvind Harlalka are directors on the board of directors of the Company and therefore may be deemed to be interested to the extent of remuneration, commission and reimbursement payable to them in the capacity of a director as per the terms of their appointment, the Article of Association of the Company and the relevant provisions of the Companies Act.
3. The Promoters are not interested in the properties acquired or proposed to be acquired by the Company in the 3 (three) years preceding the date of filing of the Draft Red Herring Prospectus.
4. The Promoters are not interested in any transaction in acquisition of land, construction of building or supply of machinery.
5. Our Company has entered into a leave and license agreement dated September 15, 2023 with Gretex Corporate Services Limited under which it has given on rent the property admeasuring 1347.50 sq. ft. carpet area out of the total carpet area of 2695 sq. ft. of the office premises situated unit no. A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India, to Gretex Corporate Services Limited for a license fee amounting to Rs. 5,00,000/- per month for a period of 11 (eleven) months commencing from October 1, 2023 to August 31, 2024.
6. Our Company, which is the owner of the property situated at non-residential unit bearing office no. LGF 82-A wing, built-up of 3012 sq. ft., situated at lower ground, ground and first floor of a building “Express Zone”, standing on the land of plot bearing plot no. – Road Western Express Highway, Goregaon East, Mumbai – 400097, of village Goregaon, situated within the revenue limits of Tehsil Borivali and Dist. Mumbai Sub-urban district and situated within the limits of Mumbai Municipal Corporation, has given the said property on leave and license to one of our Group Companies, Gretex Industries Limited under a leave and license agreement dated November 9, 2023 for a period of 11 (eleven) months commencing from November 1, 2023 to September 30, 2024, for a license fee amounting to Rs.20,000/- per month. Our Promoters, Alok Harlalka, Arvind Harlalka, Ambition Tie-Up Private Limited and Talent Investment Company Private Limited are also the Promoters of Gretex Industries Limited. Our Promoters Alok Harlalka, Arvind Harlalka and Rajkumari Harlalka are also directors on the board of directors of Gretex Industries Limited.
7. Some of our Promoters and Directors are also Promoters and Directors or shareholders or persons in control of entities with which our Company has related party transactions and may be deemed to be interested to the extent of payments made by our Company, if any, to these entities. Other than the arrangements/ transactions disclosed in “*Our Business*” and “*Annexure XXXXI - Related Party Disclosures*” under the chapter titled “*Restated Consolidated Financial Statements*” on pages 151 and F-38 of this Draft Red Herring Prospectus.
8. No sum has been paid or agreed to be paid to the Promoters or to a firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as Directors or Promoters, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of the Company, in respect of a firm or a company in which the Promoters are interested as a member.

Payment or benefits to the Promoters in the last 2 (two) years

Except in the ordinary course of business and as disclosed in the sections titled “Annexure XXXXI - Related Party Disclosures” on page F-38, under the chapter titled “Restated Consolidated Financial Statements”, respectively, no amount or benefit has been paid or given to the Promoters or any of the members of the Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to the Promoters or any of the members of the Promoter Group other than in the ordinary course of the business.

Material Guarantees

The Promoters have not given any material guarantees to third parties with respect to the Equity Shares of the Company.

Companies or firms with which the Promoters have disassociated in the last 3 (three) years

Except as disclosed below, the Promoters have not disassociated themselves from any companies, firms or other entities during the last three years preceding the date of the Draft Red Herring Prospectus:

| Sr. No. | Name of Entity | Date of disassociation | Reason |
|---------|--|------------------------|--|
| 1. | Sunview Nirman Private Limited | August 1, 2023 | Sale of Investment made by Gretex Corporate Services Limited. |
| 2. | Signageus Value Advisors Private Limited | December 10, 2022 | Sale of Investment made by Gretex Corporate Services Limited |
| 3. | Signageus Value Advisors Private Limited | December 10, 2022 | Sale of Investment made by Ambition Tie-Up Private Limited |
| 4. | Signageus Value Advisors Private Limited | December 10, 2022 | Sale of Investment made by Talent Investment Company Private Limited |

Compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

1. The Promoters or members of the Promoter Group are not debarred from accessing the capital markets by SEBI.
2. The Promoters of the Company are not Promoters of any other company which is debarred from accessing the capital market by SEBI.
3. None of the Promoters or Promoter Group members have been categorized as a Wilful Defaulter or a Fraudulent Borrower (as defined in the SEBI ICDR Regulations).
4. None of the Promoters or Promoter Group member have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Promoter Group

The Promoter Group as defined under Regulations 2(1)(pp) of the SEBI ICDR Regulations includes the following individuals and body corporates:

(i) Individuals forming part of the Promoter Group

| Name of the Promoter | Relationship | Name of Immediate Relative |
|----------------------|----------------------------------|----------------------------|
| Arvind Harlalka | Wife | Anita Harlalka |
| | Mother | Rajkumari Harlalka |
| | Mother-in-law | Urmila Devi Jewrajka |
| | Brother-in-law (brother of wife) | Sanjay Jewrajka |
| | Brother | Alok Harlalka |
| | Brother | Sumeet Harlalka |
| | Sister-in-law | Kiran Todi |

| Name of the Promoter | Relationship | Name of Immediate Relative |
|----------------------|-----------------|----------------------------|
| | Son | Gourav Harlalka |
| | Son | Harsh Harlalka |
| Alok Harlalka | Wife | Pooja Harlalka |
| | Mother | Rajkumari Harlalka |
| | Father-in-law | Sitaram Sureka |
| | Brother | Arvind Harlalka |
| | Brother | Sumeet Harlalka |
| | Brother-in-law | Punit Sureka |
| | Sister-in-law | Sarika Jajodia |
| | Son | Tanishka Harlalka |
| | Son | Yash Harlalka |
| | Anita Harlalka | Husband |
| Mother | | Urmila Devi Jewrajka |
| Mother-in-law | | Rajkumari Harlalka |
| Brother | | Sanjay Jewrajka |
| Brother-in-law | | Alok Harlalka |
| Brother-in-law | | Sumeet Harlalka |
| Sister | | Kiran Todi |
| Son | | Gourav Harlalka |
| Son | | Harsh Harlalka |
| Rajkumari Harlalka | Sister | Sumitra Devi Goel |
| | Sister | Geetha Devi Lohia |
| | Sister | Kusum Devi Saraywala |
| | Sister | Chanda Mertia |
| | Son | Alok Harlalka |
| | Son | Arvind Harlalka |
| | Son | Sumeet Harlalka |
| Pooja Harlalka | Husband | Alok Harlalka |
| | Father | Sitaram Sureka |
| | Mother-in-law | Rajkumari Harlalka |
| | Brother | Punit Sureka |
| | Brother-in-law | Arvind Harlalka |
| | Brother-in-law | Sumeet Harlalka |
| | Sister | Sarika Jajodia |
| | Son | Tanishka Harlalka |
| | Son | Yash Harlalka |
| Sashi Harlalka | Husband | Sumeet Harlalka |
| | Mother | Kalawati Singhania |
| | Mother-in-law | Rajkumari Harlalka |
| | Brother | Piyush Singhania |
| | Brother-in-law | Arvind Harlalka |
| | Brother-in-law | Alok Harlalka |
| | Sister | Manju Gupta |
| | Sister | Anju Lohia |
| | Sister | Anjali Poddar |
| | Sister | Sneha Murarka |
| Son | Suhaan Harlalka | |

| Name of the Promoter | Relationship | Name of Immediate Relative |
|----------------------|--------------|----------------------------|
| | Daughter | Divishaa Harlalka |

(ii) Body Corporate:

As of the date of this Draft Red Herring Prospectus, the companies, bodies corporate, firms, trusts and HUF forming a part of our Promoter Group are as follows:

1. Afterlink Infra Projects Private Limited.
2. Lambodar Dealcom LLP
3. Bonanza Agency LLP
4. Novelty Financial
5. Jagadamba Financial
6. Reliable Suppliers
7. Gravity Investment
8. Sankhu Mercandise Private Limited
9. Alok Harlalka HUF
10. Ashirwad Dealcomm
11. Gretex Admin and HR Services
12. Arvind Harlalka HUF
13. Sumit Harlalka HUF
14. Apsara Selections Limited
15. Gretex Industries Limited
16. Yash Benefit Trust
17. Sree Mahabir Charitable Trust

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “*Group Companies*”, includes (i) such companies (other than promoter(s) and subsidiaries) with which there were related party transactions during the period for which financial information is disclosed, in accordance with Ind AS 24, as disclosed in the Restated Consolidated Financial Statements (“**Relevant Period**”), including any additions or deletions in such companies, after the Relevant Period and until the date of the respective offer documents; and (ii) any other companies considered material by the Board of Directors.

Accordingly, all such companies with which the Company had related party transactions, in accordance with Ind AS 24, during the Relevant Period and as disclosed in the Restated Consolidated Financial Statements, which is contained in Draft Red Herring Prospectus, shall be considered as Group Companies in accordance with the SEBI ICDR Regulations for the purpose of disclosure in this Draft Red Herring Prospectus to be filed in relation to the Offer.

Pursuant to a resolution of the Board dated September 5, 2023, with respect to item (ii) mentioned above, the Board has considered that such companies, which are a part of the Promoter Group (as defined in the SEBI ICDR Regulations) with whom the Company has entered into one or more transactions during Fiscals 2023, 2022 and 2021, the monetary value of which individually or cumulatively exceeds 10% of the total revenue of the Company for the Relevant Period as per the Restated Consolidated Financial Statements shall also be considered as Group Companies of the Company.

Based on the parameters outlined above, the Board has identified the following companies as the Group Companies of the Company:

1. Gretex Industries Limited;
2. Apsara Selections Limited;
3. Sankhu Merchandise Private Limited; and
4. Sunview Nirman Private Limited.

A. *Details of the Group Companies*

Set out below are details of the top four Group Companies based on the total revenue.

1. **Gretex Industries Limited**

Corporate Information

Gretex Industries Limited was originally incorporated as Heritage Barter Private Limited on July 16, 2009 under the Companies Act, 1956. The name was changed to Gretex Industries Private Limited and fresh certificate of incorporation consequent upon change of name was issued on February 07, 2013 by Registrar of Companies, West Bengal. Subsequently, its name was changed to Gretex Industries Limited and fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued on November 20, 2013 by Registrar of Companies, West Bengal. The registered office is located at 90, Phears Lane, 5th Floor, Kolkata, West Bengal – 700012, India. The Corporate Identification Number of Gretex Industries Limited is L17296WB2009PLC136911.

Financial Information

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves); (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Gretex Industries Limited for the last three Fiscals, extracted from its audited financial statements (as applicable) is available at the website of Gretex Industries Limited at <https://www.gretexindustries.com/annual-report/>

It is clarified that such details available in relation to Gretex Industries Limited on its website does not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

2. Apsara Selections Limited

Corporate Information

Apsara Selections Limited was originally incorporated as Apsara Selections Private Limited on June, 25, 2011 under the Companies Act, 1956. The name was changed to Apsara Selections Limited and fresh certificate of incorporation consequent upon conversion from private company to public company was issued on May 17, 2017 by Registrar of Companies, Mumbai. The registered office is located at Office No. 13, 1st Floor, Bansilal Mansion, 9-15 Homi Modi Street, Fort, Mumbai – 400001, India. The Corporate Identification Number of Apsara Selections Limited is U52190MH2011PLC269248.

Financial Information

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves); (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Apsara Selections Limited for the last three Fiscals, extracted from its audited financial statements (as applicable) is available at the website of the Company at <https://gretexbroking.com/>.

It is clarified that such details available in relation to Apsara Selections Limited on the website of the Company do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

3. Sankhu Merchandise Private Limited

Corporate Information

Sankhu Merchandise Private Limited was incorporated on June 25, 2011 under the Companies Act, 1956. The registered office is located at Office No. 13, 1st Floor, Bansilal Mansion, 9-15 Homi Modi Street, Fort, Mumbai – 400023, India. The Corporate Identification Number of Sankhu Merchandise Private Limited is U52190MH2011PTC269247

Financial Information

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves); (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Sankhu Merchandise Private Limited for the last three Fiscals, extracted from its audited financial statements (as applicable) is available at the website of the Company at https://gretexbroking.com.

It is clarified that such details available in relation to Sankhu Merchandise Private Limited on the website of the Company do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

4. Sunview Nirman Private Limited

Corporate Information

Sunview Nirman Private Limited was incorporated on November 22, 2011 under the Companies Act, 1956. The registered office is located at 90. Phears Lane, 5th Floor, Kolkata, West Bengal – 700012. The Corporate Identification Number of Sunview Nirman Private Limited is U70109WB2011PTC169741.

Financial Information

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves); (ii) sales; (iii) profit/loss after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Sunview Nirman Private Limited for the last three Fiscals, extracted from its audited financial statements (as applicable) is available at the website of the Company at https://gretexbroking.com.

It is clarified that such details available in relation to Sunview Nirman Private Limited on the website of the Company do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

B. *In the promotion of the Company*

None of the Group Companies of the Company have any interest in the promotion of the Company.

a) *In the properties acquired by the Company in the past three years before filing this Draft Red Herring Prospectus with SEBI or proposed to be acquired*

None of the Group Companies are interested in the properties acquired by the Company in the 3 (three) years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by the Company. However, Gretex Industries Limited and our Company have entered into a Leave and License Agreement dated November 9, 2023 under which Gretex Industries Limited has taken the premises owned by our Company and situated at Office No. LGF 82- A Wing admeasuring builtup 3012 square feet, situated on the Lower Ground, Ground & First Floor of a Building known as 'Express Zone', Western Express Highway, Goregaon East, Mumbai - 400 097, on license basis for a period of 11 (eleven) months commencing from November 1, 2023 for monthly license fees of Rs.20,000/-.

b) *In transactions for acquisition of land, construction of building and supply of machinery*

The Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

C. *Related Business Transactions within the Group Companies and significance on the financial performance of the Company*

Other than the arrangements/ transactions disclosed in “*Our Business*” and “*Annexure XXXXI - Related Party Disclosures*” under the chapter titled “*Restated Consolidated Financial Statements*” on pages 151 and F-38 of this Draft Red Herring Prospectus, the Group Companies do not have any business interest in our Company.

D. *Common Pursuits amongst the Group Companies and the Company*

There are no common pursuits amongst the Group Companies and the Company.

E. *Business Interest of the Group Companies*

Except in the ordinary course of business and other than the business arrangements/transactions disclosed in “*Annexure XXXXI - Related Party Disclosures*” on page F-38, under the chapter titled “*Restated Consolidated Financial Statements*” of this Draft Red Herring Prospectus, there are no other business arrangements/ transactions between the Company and Group Companies.

The Group Companies are not party to any pending litigation which has a material impact on the Company.

F. *Confirmations*

As on the date of this Draft Red Herring Prospectus, except the equity shares of Gretex Industries Limited which are listed on the Emerge Platform of the NSE, none of the Group Companies have any securities listed on any stock exchanges in India or abroad.

Gretex Industries Limited has not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus. None of the Group Companies has debt securities which are listed on any stock exchange in India or abroad.

None of the securities of the Group Companies have been refused listing by any stock exchange in India or abroad during the last ten years, nor have the Group Companies failed to meet the listing requirements of any stock exchange in India or abroad.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares of face value ₹10/- each, if any, will be recommended by our Board and approved by the Shareholders of our Company, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act, 2013 read with the rules notified thereunder, each as amended, together with the applicable rules issued thereunder.

The dividend, if any, will depend on a number of internal and external factors, including but not limited to profits earned or distributable surplus during the financial year, accumulated reserves including retained earnings, cash flows, debt repayment schedules, if any, and external factors including, but not limited to the macro-economic environment, regulatory changes and technological changes.

For details in relation to risks involved in this regard, please refer to “There is no guarantee that any dividends will be declared or paid in the future. For details, see “*Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures*” under section titled “Risk Factors” on page 43 of this Draft Red Herring Prospectus. Our Board shall recommend or declare dividend as per the provisions of the Companies Act, 2013 and any other applicable laws. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of shareholders at a general meeting. Our Company has adopted a formal policy on dividend declaration pursuant to resolution of Board of Directors passed on September 5, 2023. In accordance with our dividend policy, our Board shall recommend and declare dividend as per the provisions of Companies Act, 2013. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of shareholders at a general meeting.

The Company have not declared any dividends in the three Financial Years immediately preceding the filing of this Draft Red Herring Prospectus and up to the date of filing of this Draft Red Herring Prospectus.

While the Company endeavours to pay dividend within the range of 7% - 15% of the post tax profits as dividend to the shareholders of the Company in any financial year subject to sufficiency of stand-alone profits available for distribution of dividend in the relevant year and the said payout shall be subject to applicable taxes as per relevant regulations. However, the Board reserves the right to recommend a higher or a lower dividend based on the performance of that year and after taking into consideration other factors enumerated above.

SECTION VI: FINANCIAL INFORMATION
RESTATED CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board of Directors
GRETEX SHARE BROKING LIMITED
Office No. 13, 1st Floor, New Bansilal
Building, Raja Bahadur Mansion, 9-15,
Homi Modi Street, Fort Mumbai
Mumbai City MH 00023

Dear Sir(s)/Madam(s),

1. We, Gupta Agarwal & Associates, Chartered Accountants, have examined, the Restated Consolidated Financial Statements of **GRETEX SHARE BROKING LIMITED** (Formerly known as '**GRETEX SHAREBROKING PRIVATE LIMITED**') (the "**Company**" or the "**Issuer**"), comprising the Restated Statement of Assets and Liabilities as at 31 July 2023, 31 March 2023, 31 March 2022, and 31 March 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity, the Restated Statement of Cash Flows for the period/ years ended 31 July 2023, 31 March 2023, 31 March 2022 and 31 March 2021 and the summary statement of significant accounting policies, and other explanatory information (collectively, the "**Restated Financial Statements**"), as approved by the Board of Directors of the Company at their meeting held on December 07, 2023 for the purpose of inclusion in the Red Herring Prospectus ("**RHP**"), prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") prepared in terms of the requirements of:
 - a) Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014 and
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), (the "**Guidance Note**").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the RHP to be filed with Securities and Exchange Board of India ("**SEBI**") and the stock exchanges where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**"), in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company in accordance with the basis of preparation stated in Note (1) (A) of Annexure IV to the Restated Financial Statements.

The Board of Directors of the company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors of the company is also responsible for identifying and ensuring that the company complies with the Act, the ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Statements taking into consideration:
 - a) The terms of reference and our engagement agreed upon the company in accordance with our engagement letter dated August 8, 2023 in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note - The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
 - d) The requirements of Section 26 of the Companies Act, 2013 and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO of equity shares of the Company.

4. The Company proposes to make an IPO of equity shares having face value ₹10 each at an issue price to be arrived at by a Book Building Process (referred to as the “the Issue”) or any other method as may be prescribed by the SEBI ICDR Regulations.
5. These Restated Financial Statements have been compiled by the management from:
 - i. Audited Special Purpose Ind AS Financial Statements of the Company as at and for the period/ years ended 31 July 2023, 31 March 2023, 31 March 2022 and 31 March 2021 prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which has been approved by the Board of Directors at their meeting held on December 07, 2023; and
 - ii. The financial statements as at and for the period/years ended July 31, 2023 & March 31, 2023, 2022 and 2021 were prepared in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Indian GAAP” or “Previous GAAP”) due to which the Special purpose Ind AS financial statements were prepared for the purpose of IPO.

The Special purpose IndAS financial statements as at and for the period/ years ended July 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as required in accordance with Indian Accounting Standard (IndAS) as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015.

The financial information for the period/ years ended 31 July 2023 & years ended 31 March, 2023, 31 March, 2022 and 31 March, 2021 included in this special purpose IndAS financial statements as mentioned above, are based on the previously issued statutory financial statements prepared for the period/ years ended 31 July 2023, 31 March, 2023, 31 March, 2022 and 31 March, 2021 audited and reported by us M/s. Gupta Agarwal & Associates, Chartered Accountants and have issued an unmodified audit opinion vide audit report dated May 26, 2023, May 14, 2022 and November 23, 2021 respectively.

6. We have also examined the following other Restated Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors of the company for the period ended on July 31, 2023 and years ended on March 31, 2023, 2022 and 2021 proposed to be included in the Draft Red Hearing/Red Hearing/Prospectus ("Offer Document") for the proposed IPO:
1. Statement of **Balance Sheet**, as restated in **Annexure I** to this report
 2. Statement of **Profit & Loss**, as restated in **Annexure II** to this report
 3. Statement of **Cash Flow**, as restated in **Annexure III** to this report
 4. Statement of **Significant Accounting Policies and Explanatory notes on Financial Statements**, as restated in **Annexure IV** to this report
 5. Statement of **Plant, Property & Equipment and Intangible Assets**, as restated in **Annexure V** to this report.
 6. Statement of **Investment Property**, as restated in **Annexure VI** to this report.
 7. Statement of **Non-Current Investments**, as restated in **Annexure VII** to this report.
 8. Statement of **Non-current Loans**, as restated in **Annexure VIII** to this report.
 9. Statement of **Other Non Current Financial Assets**, as restated in **Annexure IX** to this report.
 10. Statement of **Inventories**, as restated in **Annexure X** to this report.
 11. Statement of **Current Investments**, as restated in **Annexure XI** to this report.
 12. Statement of **Trade Receivables**, as restated in **Annexure XII** to this report.
 13. Statement of **Cash & Cash Equivalents**, as restated in **Annexure XIII** to this report.
 14. Statement of **Current Loans And Advances**, as restated in **Annexure XIV** to this report.
 15. Statement of **Other Financial Assets**, as restated in **Annexure XV** to this report.
 16. Statement of **Current Tax Assets**, as restated in **Annexure XVI** to this report.
 17. Statement of **Other Current Assets**, as restated in **Annexure XVII** to this report.
 18. Statement of **Share Capital**, as restated in **Annexure XVIII** to this report.
 19. Statement of **Other Equity**, as restated in **Annexure XIX** to this report.
 20. Statement of **Non-Controlling Interest**, as restated in **Annexure XX** to this report.
 21. Statement of **Other Non-Current Financial Liabilities**, as restated in **Annexure XXI** to this report.
 22. Statement of **Long-term Provision**, as restated in **Annexure XXII** to this report.
 23. Statement of **Deferred Tax Assets/Liability**, as restated in **Annexure XXIII** to this report.
 24. Statement of **Current Borrowings**, as restated in **Annexure XXIV** to this report.
 25. Statement of **Trade Payables**, as restated in **Annexure XXV** to this report.
 26. Statement of **Other Current Liabilities**, as restated in **Annexure XXVI** to this report.
 27. Statement of **Short-term Provision**, as restated in **Annexure XXVII** to this report.
 28. Statement of **Current Tax Liabilities (Net)**, as restated in **Annexure XXVIII** to this report.
 29. Statement of **Revenue from Operations**, as restated in **Annexure XXIX** to this report.
 30. Statement of **Other Income**, as restated in **Annexure XXX** to this report.
 31. Statement of **Purchases of Stock - in - Trade**, as restated in **Annexure XXXI** to this report.

32. Statement of **Changes in inventories of finished goods, stock -in-trade and work-in-Progress**, as restated in **Annexure XXXII** to this report.
 33. Statement of **Employee benefits expenses**, as restated in **Annexure XXXIII** to this report.
 34. Statement of **Finance costs**, as restated in **Annexure XXXIV** to this report.
 35. Statement of **Depreciation and amortization expenses**, as restated in **Annexure XXXV** to this report.
 36. Statement of **Other Expenses**, as restated in **Annexure XXXVI** to this report.
 37. Statement of **Tax expense**, as restated in **Annexure XXXVII** to this report.
 38. Statement of **Other Comprehensive Income**, as restated in **Annexure XXXVIII** to this report.
 39. Statement of **Earnings Per Equity Share**, as restated in **Annexure XXXIX** to this report.
 40. Statement of **Changes in Equity**, as restated in **Annexure XXXX** to this report.
 41. Statement of **Related Party Disclosures**, as restated in **Annexure XXXXI** to this report.
 42. Statement of **Adjustments to Audited Financial Statement**, as restated in **Annexure XXXXII** to this report.
 43. Statement of **Capitalisation**, as restated in **Annexure XXXXIII** to this report.
 44. Statement of **Other Financial Information**, as restated in **Annexure XXXXIV** to this report.
 45. Statement of **Tax Shelter**, as restated in **Annexure XXXXV** to this report.
 46. Statement of **Contingent Liabilities**, as restated in **Annexure XXXXVI** to this report.
 47. Statement of **Ratio**, as restated in **Annexure XXXXVII** to this report.
7. For the purpose of our examination, we have relied on:
- a) Auditors' report issued by us dated December 07, 2023 on the Special Purpose Ind AS financial statements of the Company as at and for the period/ years ended 31 July 2023, 31 March 2023, 31 March 2022 and 31 March 2021, as referred in Paragraph 4 (ii) above.
 - b) We, M/s Gupta Agarwal & Associates, Chartered Accountants hold a valid peer review certificate as issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India. Accordingly, in accordance with SEBI ICDR Regulations and the Guidance Note, we have audited the special purpose Ind AS financial statements of the company for the period/ years ended 31 July 2023, 31 March 2023, 31 March 2022 and 31 March 2021, as referred in Para 5(i) and 5(ii) above and issued our special purpose audit reports thereon, as referred in Paragraph 5 (ii) above.
8. Based on above and according to the information and explanations given to us, we report that:
- i. The Restated Financial Statements have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regrouping / reclassifications retrospectively in the financial years as at and for the period/ years ended 31 July 2023, 31 March 2023, 31 March 2022, and 31 March 2021, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed.
 - ii. There are no qualifications in the auditor's reports on the special purpose Ind AS Financial Statement for the period/ years ended 31 July 2023, 31 March 2023, 31 March 2022 and 31 March 2021, as referred in Para 5 above which requires any adjustments in the Restated financial Statements.

- iii. The Restated financial Statements has been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.
9. The Restated Financial Statements does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose audited financial statements mentioned in paragraph 5 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and the Prospectus (**Prospectus**, together with the RHP, the **Offer Documents**) to be filed with the Registrar of Companies, Mumbai (**RoC**) and submitted to the Securities and Exchange Board of India (**SEBI**), the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE**) and together with the BSE, the **Stock Exchanges**) as applicable in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Gupta Agarwal & Associates
Chartered Accountants
ICAI Firm's Registration No: 329001E

Jay Shanker Gupta
Partner
Membership No.: 059535
UDIN: 23059535BGSXEN8852

Place: Kolkata
Date: December 07, 2023

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361
Restated Consolidated Financial Statements

Annexure-I

Part-I: Balance sheet

(Rs in Millions, unless otherwise stated)

| PARTICULARS | NOTE | As at July 31,2023 | As at March 31,2023 | As at March 31,2022 | As at March 31,2021 |
|--|-------|--------------------|---------------------|---------------------|---------------------|
| ASSETS | | | | | |
| Non-Current Assets | | | | | |
| a Property, Plant & Equipment | 1 | 139.85 | 135.06 | 0.13 | 0.07 |
| b Capital Work-In-Progress | | - | - | - | - |
| c Investment Property | 2 | 100.87 | 101.40 | - | - |
| d Goodwill on Consolidation | | 15.59 | 15.59 | - | 5.91 |
| e Financial Assets | | | | | - |
| (i) Investments | 3 | 214.85 | 169.47 | 174.37 | 58.32 |
| (ii) Trade receivables | | | | - | - |
| (iii) Loans | 4 | 22.37 | 6.33 | - | - |
| (iv) Other Financial Assets | 5 | - | 16.95 | 3.55 | - |
| Current Assets | | | | | |
| a Inventories | 6 | 236.92 | 215.14 | 62.15 | 78.13 |
| b Financial Assets | | | | | |
| i) Investments | 7 | 19.20 | 82.46 | - | - |
| ii) Trade Receivables | 8 | 0.51 | 1.23 | 33.79 | - |
| iii) Cash and Cash Equivalents | 9 (a) | 16.32 | 44.20 | 55.98 | 2.07 |
| iv) Bank Balances other than Cash and Cash Equivalents (iii) above | 9 (b) | 2.38 | 2.38 | 2.38 | 2.38 |
| v) Loans | 10 | 20.69 | 29.05 | 15.48 | 28.32 |
| vi) Other Financial Assets | 11 | 62.32 | 9.13 | 10.23 | 5.39 |
| c Current Tax Assets | 12 | | | | |
| d Other current assets | 13 | 2.92 | 0.37 | 1.23 | - |
| TOTAL ASSETS | | 854.79 | 828.76 | 359.29 | 180.59 |
| EQUITY AND LIABILITIES | | | | | |
| EQUITY | | | | | |
| a Equity Share Capital | 14 | 494.78 | 82.46 | 82.46 | 82.46 |
| b Other Equity | 15 | 244.53 | 583.93 | 237.83 | 77.00 |
| c Non-Controlling Interest | 16 | - | - | - | 0.06 |
| LIABILITIES | | | | | |
| Non-Current Liabilities | | | | | |
| a Financial Liabilities | | | | | |
| i) Long-Term Borrowings | | - | - | - | - |
| ii) Trade payables | | | | | |
| (A) total outstanding dues of micro enterprises and small enterprises; and | | - | - | - | - |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - | - | - |
| (iii) Other financial liabilities | 17 | 10.00 | 20.00 | - | - |
| b Provisions | 18 | 2.91 | 1.09 | - | - |
| c Deferred Tax Liabilities (Net) | 19 | 2.23 | 1.34 | 0.00 | 0.00 |
| Current Liabilities | | | | | |
| a Financial Liabilities : | | | | | |
| i) Borrowings | 20 | - | 5.88 | 1.59 | 4.36 |
| ii) Trade Payables | 21 | | | | |
| (A) total outstanding dues of micro enterprises and small enterprises | | - | - | - | - |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | | 0.50 | 0.50 | 0.02 | 0.00 |
| iii) Other Financial Liabilities | | - | - | - | - |
| b Other Current Liabilities | 22 | 11.52 | 34.13 | 21.48 | 16.57 |
| c Provisions | 23 | 10.42 | 4.95 | - | - |
| d Current Tax Liabilities (Net) | 24 | 77.90 | 94.48 | 15.91 | 0.14 |
| TOTAL | | 854.79 | 828.76 | 359.29 | 180.59 |

SIGNIFICANT ACCOUNTING POLICIES & EXPLANATORY NOTES ON FINANCIAL STATEMENTS (Note-36)

For. GUPTA AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 329001E

For & on Behalf of Board of Directors
GRETEX SHARE BROKING LIMITED

JAY SHANKER GUPTA
PARTNER
MEMBERSHIP NO. 059535
UDIN : 23059535BGSXEN8852

ARVIND HARLALKA
MANAGING DIRECTOR
DIN: 00494136

ALOK HARLALKA
JOINT MANAGING DIRECTOR
DIN: 02486575

PLACE : KOLKATA
DATE : 07.12.2023

NIKET PRADIPBHAI
THAKKAR
COMPANY SECRETARY

DEEPAK NAVINCHANDRA SHAH
WTD & CFO
DIN: 02585061

PLACE : MUMBAI
DATE : 07.12.2023

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361
Restated Consolidated Financial Statements

Annexure-II

Part-II: Statement of profit & Loss

(Rs in Millions, unless otherwise stated)

| | PARTICULARS | NOTE | For the period ended 31st, July 2023 | For the year ended 2023 | For the year ended 2022 | For the year ended 2021 |
|------|---|------|--------------------------------------|-------------------------|-------------------------|-------------------------|
| I | Revenue From Operations | 25 | 209.20 | 1,026.17 | 396.58 | 135.63 |
| II | Other Income | 26 | 6.82 | 38.47 | 15.99 | (2.85) |
| III | Total Income (I+II) | | 216.02 | 1,064.64 | 412.57 | 132.78 |
| IV | EXPENSES | | | | | |
| | Cost of materials consumed | | - | - | - | - |
| | Purchases of Stock - in - Trade | 27 | 123.81 | 497.26 | 269.18 | 140.58 |
| | Changes in inventories of finished goods, stock -in-trade and work-in-Progress | 28 | (21.78) | (152.99) | 15.98 | (15.29) |
| | Employee benefits expenses | 29 | 9.80 | 44.72 | 2.87 | 2.02 |
| | Finance costs | 30 | - | 1.18 | 1.59 | 1.91 |
| | Depreciation and amortization expenses | 31 | 1.95 | 2.08 | 0.02 | 0.01 |
| | Other Expenses | 32 | 11.07 | 47.64 | 19.02 | 0.51 |
| | Total Expenses (IV) | | 124.85 | 439.89 | 308.66 | 129.74 |
| V | Profit/(Loss) before exceptional & extraordinary items and tax (I-IV) | | 91.17 | 624.75 | 103.91 | 3.04 |
| VI | Exceptional Items- CSR expenditure | | 5.37 | 4.84 | - | - |
| VII | Profit/(Loss) before Share of Profit/(Loss) of Associates (V-VI) | | 85.80 | 619.91 | 103.91 | 3.04 |
| VIII | Share of Profit/(Loss) of Associates: | | | | | |
| | (a) Share of profit/(Loss) from Apsara Selections Limited | | - | - | - | - |
| | (b) Share of profit/(Loss) from Sunview Nirman Private Limited | | 0.01 | 2.75 | - | - |
| | Share of Profit/(Loss) of Associates of Wholly Owned Subsidiary: | | | | | |
| | (c) Share of profit/(Loss) from Afterlink Infra Projects Pvt. Ltd. | | -0.00 | 0.00 | - | - |
| | (d) Share of profit/(Loss) from Sankhu Merchandise Pvt. Ltd. | | (0.00) | (0.05) | - | - |
| IX | Profit Before Tax (VII+VIII) | | 85.81 | 622.61 | 103.91 | 3.04 |
| IX | Tax expense | 33 | | | | |
| | Current Tax | | 23.77 | 153.82 | 18.37 | 0.47 |
| | Deferred Tax | | 0.89 | 1.34 | 0.00 | 0.00 |
| X | Profit (Loss) for the period from continuing operations (VIII-IX) | | 61.15 | 467.45 | 85.54 | 2.57 |
| XI | Profit (Loss) for the period from discontinued operations | | - | - | - | - |
| XII | Tax expenses of discontinued operations | | - | - | - | - |
| XIII | Profit (Loss) for the period from discontinued operations (after tax) (XI-XII) | | - | - | - | - |
| XIV | Profit/(Loss) after tax for the period (X+XIII) | | 61.15 | 467.45 | 85.54 | 2.57 |
| XV | Other Comprehensive Income | | | | | |
| | A. (i) items that will not be reclassified to profit or loss | 34 | | | | |
| | (ii) income tax relating to items that will not be reclassified to profit or loss | | - | - | - | - |
| | B. (i) items that will be reclassified to profit or loss | | (14.83) | (34.92) | 86.54 | 11.32 |
| | (ii) income tax relating to items that will be reclassified to profit or loss | | - | - | - | - |
| XVI | Total Comprehensive Income (XIV+XV) | | 46.32 | 432.53 | 172.08 | 13.89 |
| | Net Profit attributable to: | | | | | |
| | (i) Owners of the Company | | 61.15 | 467.45 | 85.54 | 2.57 |
| | (ii) Non-Controlling Interest | | - | - | - | (0.00) |
| | Other Comprehensive Income attributable to: | | | | | |
| | (i) Owners of the Company | | (14.83) | (34.92) | 86.54 | 11.33 |
| | (ii) Non-Controlling Interest | | - | - | - | (0.01) |
| | Total Comprehensive Income attributable to: | | | | | |
| | (i) Owners of the Company | | 46.31 | 432.53 | 172.08 | 13.90 |
| | (ii) Non-Controlling Interest | | - | - | - | (0.01) |
| XVII | Earnings Per Equity Share: | 35 | | | | |
| | Basic(In Rs.) | | 1.24 | 9.45 | 1.73 | 0.05 |
| | Diluted (In Rs.) | | 1.24 | 9.45 | 1.73 | 0.05 |

SIGNIFICANT ACCOUNTING POLICIES & EXPLANATORY NOTES ON FINANCIAL STATEMENTS (Note-36)

For. GUPTA AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 329001E

For & on Behalf of Board of Directors
GRETEX SHARE BROKING LIMITED

JAY SHANKER GUPTA
PARTNER
MEMBERSHIP NO. 059535
UDIN : 23059535BGSXEN8852

ARVIND HARLALKA
MANAGING DIRECTOR
DIN: 00494136

ALOK HARLALKA
JOINT MANAGING DIRECTOR
DIN: 02486575

NIKET
PRADIPBHAI
THAKKAR
COMPANY SECRETARY

DEEPAK NAVINCHANDRA
SHAH
WTD & CFO
DIN: 02585061

PLACE : KOLKATA
DATE : 07.12.2023

PLACE : MUMBAI
DATE : 07.12.2023

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361
Restated Consolidated Financial Statements

Annexure-III

Part-III: Cash Flow statements

(Rs in Millions, unless otherwise stated)

| PARTICULARS | Figures As At 31/07/2023 | Figures As At 31/03/2023 | Figures As At 31/03/2022 | Figures As At 31/03/2021 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| (A) Cash flows from operating activities | | | | |
| Net Profit before taxation | 85.80 | 619.91 | 103.91 | 3.04 |
| Adjustment for : | | | | |
| Finance Cost | - | 1.18 | 1.59 | 1.91 |
| Depreciation & Amortisation | 1.95 | 2.08 | 0.02 | 0.01 |
| Provision for Gratuity | 2.03 | 1.20 | - | - |
| Interest Income | (0.37) | (11.64) | (2.73) | (0.67) |
| Provision for CSR | 5.37 | 4.84 | - | - |
| (Profit)/Loss on Sale of Investment | (3.77) | (25.14) | - | - |
| Rental Income | (1.60) | (0.20) | - | - |
| Operating Profit before working capital changes | 89.41 | 592.23 | 102.79 | 4.29 |
| Increase / (Decrease) in Trade Payables | 0.00 | 0.48 | 0.01 | (0.55) |
| Increase / (Decrease) in Other Current Liabilities | (22.61) | 12.65 | 4.92 | 15.94 |
| Increase / (Decrease) in Short Term Provisions | - | - | - | - |
| (Increase) / Decrease in Inventories | (21.79) | (152.99) | 15.98 | (15.29) |
| (Increase) / Decrease in Trade Receivable | 0.72 | 32.57 | (33.79) | 31.84 |
| (Increase) / Decrease in Short Term Loans & Advances | - | - | - | - |
| (Increase) / Decrease in Current Loans | 8.36 | (13.57) | 12.84 | (12.28) |
| (Increase) / Decrease in Other Current Financial Asset | (53.19) | 1.21 | (4.84) | (3.87) |
| (Increase) / Decrease in Other Current Asset | (2.55) | 0.87 | (1.23) | 0.44 |
| Operating Profit after working capital changes | (1.65) | 473.45 | 96.68 | 20.52 |
| Income taxes paid | (40.35) | (75.24) | (2.60) | (0.26) |
| Net Cash from/ (used in) Operating Activities (A) | (42.00) | 398.21 | 94.08 | 20.26 |
| (B) Cash flows from investing activities | | | | |
| (Purchase)/ Sale of Property, Plant & Equipment and Intangible assets | (6.21) | (136.51) | (0.08) | (0.02) |
| (Purchase)/ Sale of Investment Property | - | (101.86) | - | - |
| (Purchase)/ Sale of Non-Current Investments (Net) | (34.16) | (113.93) | (40.75) | 29.73 |
| (Purchase)/ Sale of Current Investments (Net) | 72.04 | (82.46) | - | - |
| (Increase) / Decrease in Non-Current Loans | (16.04) | (6.33) | - | - |
| Bank balances other than cash & cash equivalent | - | - | - | (0.38) |
| (Increase) / Decrease in Goodwill | - | (15.59) | 5.91 | - |
| (Increase) / Decrease in Other Non-current Financial assets | 16.95 | (13.40) | (3.55) | - |
| Interest Income | 0.37 | 11.64 | 2.73 | 0.67 |
| Rental Income | 1.60 | 0.20 | - | - |
| Profit on Sale of Investments | 3.77 | 25.14 | - | - |
| Net Cash from/ (used in) Investing Activities (B) | 38.32 | (433.10) | (35.74) | 30.00 |
| (C) Cash Flow from Financing Activities | | | | |
| Increase / (Decrease) in Short Term Borrowings | (5.88) | 4.29 | -2.78 | (46.94) |
| Increase / (Decrease) in Non-Controlling Interest | - | - | (0.06) | 0.03 |
| IPO related expenses | (8.32) | - | - | - |
| Increase/(Decreased) in Other Non-Current Financial Liabilities | (10.00) | 20.00 | - | - |
| Finance Cost | - | (1.18) | (1.59) | (1.91) |
| Net Cash from/ (used in) Financing Activities (C) | (24.20) | 23.11 | (4.43) | (48.82) |
| (i) Net increase in cash and cash equivalents (A+B+C) | (27.88) | (11.78) | 53.91 | 1.44 |
| (ii) Cash and cash equivalents at beginning of period | 44.20 | 55.98 | 2.07 | 0.63 |
| (iii) Cash and cash equivalents at end of period (i + ii) | 16.32 | 44.20 | 55.98 | 2.07 |

Notes :-

i) The above Cash Flow Statement has been prepared in accordance with Indirect Method as prescribed in IndAS-7.

ii) Cash and Cash Equivalents Comprises of :-

(Rs in Millions, unless otherwise stated)

| Particulars | Figures as at 31/07/2023 | Figures as at 31/03/2023 | Figures as at 31/03/2022 | Figures as at 31/03/2021 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Cash-in-hand | 0.67 | 0.73 | 0.41 | 0.79 |
| Bank Accounts | 15.65 | 43.47 | 55.57 | 1.28 |
| Fixed Deposit | - | - | - | - |
| - With Maturity less than three months | - | - | - | - |
| | 16.32 | 44.20 | 55.98 | 2.07 |

As per our Report of even date.

For. GUPTA AGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN: 329001E

For & on Behalf of Board of Directors
GRETEX SHARE BROKING LIMITED

JAY SHANKER GUPTA
PARTNER
MEMBERSHIP NO. 059535
UDIN : 23059535BGSXEN8852
PLACE : KOLKATA
DATE : 07.12.2023

ARVIND HARLALKA
MANAGING DIRECTOR
DIN: 00494136

NIKET PRADIPBHAI THAKKAR
COMPANY SECRETARY
PLACE : MUMBAI
DATE : 07.12.2023

ALOK HARLALKA
JOINT MANAGING DIRECTOR
DIN: 02486575

DEEPAK NAVINCHANDRA SHAH
WTD & CFO
DIN: 02585061

Note- Significant Accounting Policies and Explanatory notes on Financial Statements

CORPORATE INFORMATION

Gretext Share Broking Limited (the Company) is a Public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Registered office of the company has been changed to Mumbai of Maharashtra from Kolkata of West Bengal w.e.f. 06th January, 2017 vide order dated 21.12.2016 of the Regional Director (ER) Kolkata. The Certification of Registration of Regional Director order for Change of State issued by Registrar of Companies, Mumbai on 06th January, 2017. The name of the company has been changed from Sherwood Securities Private Limited to Gretext Share Broking Private Limited w.e.f. 01.09.2017. The Company converted from Private Limited to Public Limited vide certification of incorporation consequent upon conversion to Public Limited Company dated 4th September, 2023 issued by Registrar of Companies, Mumbai, being Corporate Identification Number U65900MH2010PLC289361. The company is engaged in Share and stock Broking and Market Making business.

Objects of the company

The company plans to operate as a shares and stock brokerage firm, obtaining memberships in stock exchanges and over-the-counter exchanges both within and outside India. They aim to deal with various financial instruments, including shares, stocks, bonds, deposit certificates, notes, bills, and other securities. The company intends to offer services as a discount house, merchant banker, capital market manager, and advisor. They may underwrite, sub-underwrite, and provide stand-by or procurement arrangements for securities, subject to SEBI's prior approval.

Furthermore, the company seeks to manage portfolio investments, provide financial and investment assistance, act as issue house and registrars, and form syndicates for various securities. They also plan to act as brokers, dealers, and agents for securities, precious metals, and precious objects. The company may syndicate financial arrangements in domestic and international markets, such as loans, guarantees, export, and yard credits, and undertake discounting, forfeiting, and factoring of bills and commercial papers. Additionally, they aim to invest in, acquire, sell, transfer, subscribe, hold, dispose of, and deal in various securities issued or guaranteed by companies and governments, both in India and elsewhere.

1 SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENT :

A Basis of Preparation of Restated Financial Statements

The Restated Financial Statements have been prepared by the Management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on 11 September 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') / Red Herring Prospectus / Draft Prospectus / Prospectus.

These Statements of the company have been prepared in accordance with Indian Accounting Standards (herein after referred to as "IndAS") as notified by the MCA under section 133 of the Companies Act, 2013 read with Companies Act (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The company is covered in the definition of Company other than Banking & NBFCs as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Accordingly Divison-II of the Schedule-III as specified under the Companies Act, 2013 has been applied for the preparation & presentation of the Restated Financial Statements.

The company is in the process of listing and accordingly transition date for the adoption of IndAS, which will be used for statutory filings would be April 01, 2022. Accordingly, the accounting framework applicable for preparation of Restated Financial Statements for the period ended 31st July, 2023, F.Y. 2022-23 is IndAS and for FY. 2021-22 and 2020-21 is proforma IndAS. This restated Financial statement has been prepared from Special purpose IndAs Financial statement for the period ended on 31st July, 2023. F.Y.(s) 2022-23, 2021-22 and 2020-21. This Restated Consolidated Financial Statement has been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations read with Ind AS 110-Consolidated Financial Statements and Ind AS 28-Investments in Associates.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company ascertains its operating cycle for the purpose of current/non-current classification of assets and liabilities.

B Use of Estimates

The preparation of the Financial Statements in conformity with IndAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amount of income and expenses during the period. Examples of such estimates includes future obligation with respect to employees benefits, income taxes, useful lives of fixed assets etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

C Property, Plant & Equipments and Intangible Assets

Transition to INDAS for presentation of Restated Financial Statements

On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 01 April, 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Initial Measurement & Subsequent recognition

The Property, Plant and Equipments & Intangible Assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalised until such assets are not put to use. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Note- Significant Accounting Policies and Explanatory notes on Financial Statements

D Depreciation and Amortisation

Depreciation on Property, Plant and Equipments is provided on the "straight-line method" as prescribed under Schedule -II of Companies Act'2013 over the useful life of assets estimated by the Management. Depreciation for assets purchased/ sold during a period is proportionately charged.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

E Investment Property

Investment property is property (land or building) held by the owner to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Initial Measurement:

Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent Measurement:

Investment properties are subsequently measured in accordance with Cost Model as prescribed in IndAS-40 i.e. at cost less accumulated depreciation and impairment losses (if any).

Depreciation

Depreciation is calculated on investment properties by applying the Straight Line Method to their residual values over the useful lives.

Derecognition:

The carrying amount of an item of property is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of Profit and Loss when the item is derecognised

Disposal:

Any gain or loss on disposal of an Investment Property is recognised in the Statement of Profit and Loss.

F Cash and cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

G Provision For Current And Deferred Tax

Current Tax: Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax: is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

H Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets:

The Company classifies its financial assets at Fair value through Other Comprehensive Income (FVOCI) or Fair value through Profit & Loss (FVTPL) The classification is based upon two tests namely Business Model Test (BMT) and Contractual Cash Flow Test (CCFT).

BMT: where entity's objective is to hold assets for collecting contractual cash flows.

CCFT: Where contractual cash flows are solely payment of principal and interest on a specified due dates.

Measurement & Recognition of Financial Assets

Investment in Equity Instrument

The company has invested in equity instruments of both listed entities and other unlisted or private companies. These investments are carried at Fair Value Through Other Comprehensive Income (FVTOCI). As a result, any changes in the fair value of these instruments are reflected in Other Comprehensive Income (OCI), except for dividends. Even after the sale of an investment, there is no recycling of the amounts previously recognized in OCI. However, the company has the option to transfer the cumulative gain or loss within the equity section.

Investment in Mutual Funds

All investments in Mutual funds instruments classified under financial assets are initially measured at fair value. The Company opted to recognise mutual funds through OCI.

Note- Significant Accounting Policies and Explanatory notes on Financial Statements

Loans & Advances

The company extended loans and advances to both related and unrelated parties. To ensure proper classification of these financial assets, the Business Model and Contractual Cash Flow tests must be met. However, the loans and advances did not pass the Contractual Cash Flow test (CCFT), leading the company to classify them at Fair Value Through Profit & Loss (FVTPL).

The company has adopted IndAS with a transition date April 01, 2022 for statutory filing, According to IndAS-101 "First time Adoption of Indian Accounting Standard" the company has option to carry loans & advance at its fair value or it may continue to carry at its historical cost which is known as 'deemed cost'. The company has opted to carry the loans at deemed cost in pursuance of IndAS-101.

Derecognition

Financial assets are derecognized (removed from the company's statement of financial position) primarily when:

1. The rights to receive cash flows from the asset have expired, or
2. The company has transferred its rights to receive cash flows to a third party under a "pass through" arrangement and either:
 - a) The company transferred the rights to receive cash flows from the financial asset, or
 - b) The company retained the contractual right to receive the cash flows but assumes the obligation to pay them to one or more recipients.

If the company has transferred substantially all the risks and rewards of ownership of the financial assets, the asset is derecognized. If not, the asset is not derecognized. If the company neither transferred a financial asset nor retains substantially all risks and rewards of ownership, the financial asset is derecognized if the company has not retained control of it. If the company retains control, the asset continues to be recognized to the extent of its continuing involvement in the financial asset.

Impairment

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date. Since during the period(s) the company have receivables only from Credit worthy Entitles the company is not exposed to credit risk and hence the company has not recognized the ECL.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

In compliance with Ind AS 109, the company has evaluated and measured its Expected Credit Loss for impairment loss on financial assets. As of the review period, no such expected loss has been recognized.

(II) Financial Liabilities:

Recognition & Measurements

In accordance with the accounting standards, financial liabilities are initially recorded at their fair value and are subsequently measured based on either the Fair Value Through Profit & Loss (FVTPL) method or at amortized cost. The financial liabilities of the company include trade payables, short-term borrowing, and other financial liabilities. For the purpose of the Restated Financial Statements, all these liabilities are measured at amortized cost.

Derecognition

A financial liability is derecognized from the company's statement of financial position when the obligation under the liability is settled, canceled, or reaches its maturity date. If an existing financial liability is replaced by another liability from the same lender but with significantly different terms, or if the terms of the existing liability are substantially modified, this exchange or modification is considered as the derecognition of the original liability and the recognition of a new liability.

Any difference between the carrying amounts of the original liability and the newly recognized liability is recorded in the statement of profit and loss.

I Current Assets, Loans & Advances

In the opinion of the Board and to the best of its knowledge and belief the value on realisation of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand.

J Revenue Recognition

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Revenue is recognised to the extent that it is possible that, the economic benefits will flow to the company and the revenue can be reliably estimated and collectability is reasonably assured.
- (c) Revenue from sale of goods and services are recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.
- (d) Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and service tax etc. Professional experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.
- (e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

K Foreign Exchange

During the year the company has not recognised any Foreign Exchange Gain or Loss.

L Related Party Transactions

According to IndAS-24 the company has presented disclosures in "Annexure-A"-RPT.

M Title deeds of immovable property not held in the name of the company:

The Title deed of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

N Revaluation of Property, Plant and Equipment:

The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

Note- Significant Accounting Policies and Explanatory notes on Financial Statements

- O Loans and Advances in the nature of loan repayable on demand or without specifying the terms or period of repayment:**
During the year, the company has not granted any Loans or Advances in the nature of loans to the related parties (as defined under Companies Act, 2013), accordingly the above clause are not applicable.
- P Benami Property held:**
There is no proceeding have been initiated or pending against the company for holding any benami property under the Benami Transaction (prohibition) Act , 1988 (45 of 1988) and the rules made thereunder.
- Q Working capital limits from Banks/FIs on the basis of security of Current Assets**
The Company has no borrowings from the banks or financial institutions on the basis of current assets.
- R Wilful defaulter**
The company is not declared wilful defaulter by any bank or financial Institution or other lender.
- S Relationship with struck off Companies**
The company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- T Registration of charge or satisfaction with Registrar of Companies**
The company has no charge or satisfaction yet to be registered with Registrar of Companies.
- U Compliance with number of layers of Companies**
The company has Subsidiary and provisions prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on numbers of Layers) Rules , 2017 are complied.
- V Compliance with Approved Scheme(s) of Arrangements**
During the year under review, the company has not made any application for Scheme of Arrangement. Accordingly, no approval from the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013 is required to be obtained by the company.
- W Undisclosed Income**
The Company has no such transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act 1961
- X Details of Crypto Currency or Virtual Currency**
The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- Y Provision**
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- Z Employee Benefit Expenses :**
Short Term Employee Benefits : The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.
Long Term Employee Benefits : Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation as per Projected Unit Credit Method
Post-Employment Benefits
Defined Contribution Plans A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
The Expenses recognised during the period towards defined contribution plan -

(Rs in Millions, unless otherwise stated)

| Particulars | For the year ended 31.07.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|----------------------------------|
| Employers Contribution to Employee State Insurance | 0.01 | 0.46 | 0.25 |
| Employers Contribution to Employee Providend Fund | 0.04 | 1.10 | 0.47 |

Defined Benefit Plans : The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972
The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services

Note- Significant Accounting Policies and Explanatory notes on Financial Statements

| (Rs in Millions, unless otherwise stated) | | | | |
|---|---|-------------------------------|-------------------------------|-------------------------------|
| Sl No. | Defined benefit plans | For the year ended 31.07.2023 | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
| 1 | Expenses recognised in statement of profit and loss during the year: | | | |
| | Current service cost | 0.14 | 0.19 | NA |
| | Past service cost | - | 1.01 | NA |
| | Interest Cost | 0.03 | | |
| | Net Actuarial (Gain)/Loss recognized in the year | 1.86 | | |
| | Expected return on plan assets | - | - | NA |
| | Total expenses included in Employee benefit expenses | 2.03 | 1.20 | NA |
| | Discount Rate as per para 78 of AS 15R (2005) | 7.31% | 7.42% | NA |
| 2 | Net asset/(liability) recognised as at balance sheet date: | | | |
| | Opening Net Liability | 1.20 | | |
| | Present value of defined benefit obligation | 2.03 | 1.20 | NA |
| | Fair value of plan assets | - | - | NA |
| | Funded status [surplus/(deficit)] | -3.23 | -1.20 | NA |
| 3 | Movements in present value of defined benefit obligation | | | |
| | Present value of defined benefit obligation at the beginning of the year | 1.20 | NA | NA |
| | Current service cost | 0.14 | 0.19 | NA |
| | Past service cost | - | 1.01 | NA |
| | Interest Cost | 0.03 | - | NA |
| | Actuarial (gains) / loss | 1.86 | - | NA |
| | Benefits paid | - | - | NA |
| | Present value of defined benefit obligation at the end of the year | 3.23 | 1.20 | NA |
| | Classification | | | |
| | Current liability | 0.32 | 1.08 | NA |
| | Non-current liability | 2.91 | 10.90 | NA |
| | | 3.23 | 11.98 | NA |

Major Assumptions :-

- i) Retirement Age is 60 Years, added One year to the Current Age.
- ii) Salary Growth Rate taken 8.00 %
- iii) Withdrawal Rate taken 10.00%
- iv) Mortality Rate 100 % of IALM 2012-2014

AA Earning Per Share

The Company reports Basic and Diluted earnings per equity share in accordance with the Indian Accounting Standard - 33 'Earning Per Share'. In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

AB Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

AC Previous Year Figures

The Company has reclassified, rearranged and regrouped the previous year figures in accordance with the requirements applicable in the current year.

AD No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- a) Crypto Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Relating to borrowed funds
 - i) Wilful defaulter
 - ii) Utilisation of borrowed funds & share premium
 - iii) Borrowings obtained on the basis of security of current assets
 - iv) Discrepancy in utilisation of borrowings
 - v) Current maturity of long term borrowings

Note- Significant Accounting Policies and Explanatory notes on Financial Statements

AE DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

AF MATERIAL DEVELOPMENTS AFTER BALANCE SHEET DATE

- a. The Company converted from Private Limited to Public Limited vide certification of incorporation consequent upon conversion to Public Limited Company dated 4th September, 2023 issued by Registrar of Companies, Mumbai, being Corporate Identification Number U65900MH2010PLC289361
- b. The Company has given its Investment property on rental basis to Gretex Industries Limited to use the said property for the business purpose. Vide its resolution passed at EOGM dated September 09, 2023, the company decided to sell the said premises to Gretex Industries Limited.
Property Address: Lower Ground Floor, Ground Floor and First Floor, A wing, Western Express Zone, Goregaon East, Mumbai, Maharashtra - 400097.
- c. The Company vide its resolution passed at EOGM dated September 09, 2023, decided to sell 730400 Equity shares of investment in its associate company i.e. M/s. Sunview Nirman Private Limited to Gretex Industries Limited for a consideration of Rs. 7,23,09,600/- (Seven Crore Twenty-three Lacs Nine Thousand Six
- d. The company got approval from BSE vide its letter Ref. no. MOD/SHP/2023/180701 dated 18th July, 2023 regarding Change in Shareholding Pattern of the Company. According to the said approval M/s. Gretex Corporate Limited is proposed to buy 16602060 equity shares of our company from Sankhu Merchandise Private Limited and Bonanza Agency LLP of 9400200 equity shares and 7201860 shares respectively.

AG FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The board regularly meets to decide its risk management. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is also assisted by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk.

(a) Market Risk:

Market risk is the risk that changes with market prices - such as market prices of financial instruments and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(b) Credit Risk:

Credit risk is the risk that the Company will incur a loss because its customers or counterparties to a financial instrument fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, Investments, Inventories of shares, loans, term deposits, trade receivables and security deposits.

Cash and cash equivalents and term deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks/financial institutions as approved by the Board of directors. Security deposits are kept with stock exchanges for meeting minimum base capital requirements. These deposits do not have any credit risk.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis. The company has not made any provision on expected credit loss on trade receivables and other financials assets, based on the management estimates.

(c) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

(Rs in Millions, unless otherwise stated)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------|---------------------|----------------------|----------------------|----------------------|
| Total Current Assets (A) | 361.26 | 383.93 | 181.24 | 116.28 |
| Total Current Liabilities (B) | 100.34 | 139.93 | 38.99 | 21.07 |
| Working Capital (A)-(B) | 260.92 | 244.00 | 142.25 | 95.21 |
| Current Ratio | 3.60 | 2.74 | 4.65 | 5.52 |

Following is the Company's exposure to financial liabilities:

(Rs in Millions, unless otherwise stated)

| Particulars | As at July 31, 2023 | | | |
|-----------------------------|---------------------|------------------|------------------|-------|
| | Carrying Value | Less than 1 year | More than 1 year | Total |
| Trade Payables | 0.50 | 0.50 | - | 0.50 |
| Other Financial Liabilities | 10.00 | 10.00 | - | 10.00 |

Note- Significant Accounting Policies and Explanatory notes on Financial Statements

(Rs in Millions, unless otherwise stated)

| Particulars | As at March 31, 2023 | | | |
|-----------------------------|----------------------|------------------|------------------|-------|
| | Carrying Value | Less than 1 year | More than 1 year | Total |
| Trade Payables | 0.50 | 0.50 | - | 0.50 |
| Borrowings | 5.88 | 5.88 | - | 5.88 |
| Other Financial Liabilities | 20.00 | 20.00 | - | 20.00 |

(Rs in Millions, unless otherwise stated)

| Particulars | As at March 31, 2022 | | | |
|----------------|----------------------|------------------|------------------|-------|
| | Carrying Value | Less than 1 year | More than 1 year | Total |
| Trade Payables | 0.02 | 0.02 | - | 0.02 |
| Borrowings | 1.59 | 1.59 | - | 1.59 |

(Rs in Millions, unless otherwise stated)

| Particulars | As at March 31, 2021 | | | |
|----------------|----------------------|------------------|------------------|-------|
| | Carrying Value | Less than 1 year | More than 1 year | Total |
| Trade Payables | - | - | - | - |
| Borrowings | 4.36 | 4.36 | - | 4.36 |

AH CAPITAL MANAGEMENT

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital to shareholders, issue new shares or raise/repay debt.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and to ensure the Company's ability to continue as a going concern. There is no non-compliance with any covenants of borrowings.

(Rs in Millions, unless otherwise stated)

| Particulars | For the period/ year ended | | | |
|---|----------------------------|----------------------|----------------------|----------------------|
| | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
| Borrowings | - | 5.88 | 1.59 | 4.36 |
| Less: cash and cash equivalents | 16.32 | 44.20 | 55.98 | 2.07 |
| Adjusted net debt | (16.32) | (38.32) | (54.39) | 2.30 |
| Total Equity | 739.30 | 666.39 | 320.29 | 159.52 |
| Adjusted net debt to adjusted equity ratio | (0.02) | (0.06) | (0.17) | 0.01 |

In terms of our report of even date

For. GUPTA AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 329001E

For and on Behalf of the Board
GRETEX SHARE BROKING LIMITED

JAY SHANKER GUPTA
PARTNER
MEMBERSHIP NO. 059535
UDIN : 23059535BGSXEN8852

ARVIND HARLALKA
MANAGING DIRECTOR
DIN: 00494136

ALOK HARLALKA
JOINT MANAGING DIRECTOR
DIN: 02486575

PLACE : KOLKATA
DATE : 07.12.2023

NIKET PRADIPBHAI THAKKAR
COMPANY SECRETARY
PLACE : MUMBAI
DATE : 07.12.2023

DEEPAK NAVINCHANDRA SHAH
WTD & CFO
DIN: 02585061

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Annexure- V

Note-1: Property, Plant and Equipment and Intangible Assets

(Rs in Millions, unless otherwise stated)

| As on 31st Jul, 2023 | | | | | | | | | |
|---|-----------------------|---------------------------|--------------------------|--------------------|-------------------|---------------------|------------|---------------------|---------------------|
| PARTICULARS | GROSS BLOCK (AT COST) | | | DEPRECIATION | | | SALE/ADJ. | NET BLOCK | |
| | AS AT 01.04.2023 | ADDITION DURING PERIOD | TOTAL COST 31.07.2023 | UPTO 01.04.2023 | FOR THE PERIOD | TOTAL 31.07.2023 | | AS AT 31.07.2023 | AS AT 31.03.2023 |
| Building | 118.08 | - | 118.08 | 0.05 | 0.66 | 0.71 | - | 117.37 | 118.03 |
| Furniture & Fixture | 10.58 | 6.14 | 16.72 | 0.78 | 0.36 | 1.14 | - | 15.59 | 9.80 |
| Computer & Printer | 0.70 | - | 0.70 | 0.07 | 0.08 | 0.15 | - | 0.56 | 0.64 |
| Office Equipments (incl. Subsidiary) | 0.71 | 0.02 | 0.73 | 0.18 | 0.04 | 0.23 | - | 0.51 | 0.53 |
| Motor Car | 6.71 | 0.05 | 6.76 | 0.65 | 0.28 | 0.93 | - | 5.83 | 6.06 |
| Total | 136.79 | 6.21 | 143.00 | 1.73 | 1.42 | 3.15 | - | 139.85 | 135.06 |
| As on 31st March, 2023 | | | | | | | | | |
| PARTICULARS | GROSS BLOCK (AT COST) | | | DEPRECIATION | | | SALE/ADJ. | NET BLOCK | |
| | AS AT 01.04.2022 | ADDITION DURING PERIOD | TOTAL COST 31.03.2023 | UPTO 01.04.2022 | FOR THE PERIOD | TOTAL 31.03.2023 | | AS AT 31.03.2023 | AS AT 31.03.2022 |
| Building | - | 118.08 | 118.08 | - | 0.05 | 0.05 | - | 118.03 | - |
| Furniture & Fixture | 0.05 | 10.52 | 10.58 | 0.01 | 0.77 | 0.78 | - | 9.80 | 0.04 |
| Computer & Printer | - | 0.70 | 0.70 | - | 0.07 | 0.07 | - | 0.64 | - |
| Office Equipments (incl. Subsidiary)* | 0.23 | 0.49 | 0.71 | 0.10 | 0.08 | 0.18 | (0) | 0.53 | 0.13 |
| Motor Car | - | 6.71 | 6.71 | - | 0.65 | 0.65 | - | 6.06 | - |
| Total | 0.28 | 136.51 | 136.79 | 0.11 | 1.62 | 1.73 | (0) | 135.06 | 0.17 |
| Note: M/s. Signageus Value Advisors Private Limited became a subsidiary of the company as on 10th December, 2022 i.e. during the F.Y. 2022-23 | | | | | | | | | |
| As on 31st March, 2022 | | | | | | | | | |
| PARTICULARS | GROSS BLOCK (AT COST) | | | DEPRECIATION | | | SALE/ADJ. | NET BLOCK | |
| | AS AT 01.04.2021 | ADDITION DURING PERIOD | TOTAL COST 31.03.2022 | UPTO 01.04.2021 | FOR THE PERIOD | TOTAL 31.03.2022 | | AS AT 31.03.2022 | AS AT 31.03.2021 |
| Furniture & Fixture | 0.05 | - | 0.05 | 0.01 | 0.01 | 0.01 | - | 0.04 | 0.04 |
| Office Equipments | 0.02 | 0.08 | 0.10 | 0.00 | 0.01 | 0.01 | - | 0.09 | 0.02 |
| TV | - | - | - | - | - | - | - | - | - |
| Total | 0.08 | 0.08 | 0.15 | 0.01 | 0.02 | 0.03 | - | 0.13 | 0.07 |
| As on 31st March, 2021 | | | | | | | | | |
| PARTICULARS | GROSS BLOCK (AT COST) | | | DEPRECIATION | | | SALE/ADJ. | NET BLOCK | |
| | AS AT 01.04.2020 | ADDITION DURING PERIOD | TOTAL COST 31.03.2021 | UPTO 01.04.2020 | FOR THE PERIOD | TOTAL 31.03.2021 | | AS AT 31.03.2021 | AS AT 31.03.2020 |
| Furniture & Fixture | 0.05 | - | 0.05 | 0.00 | 0.01 | 0.01 | - | 0.04 | 0.05 |
| Office Equipments | - | 0.02 | 0.02 | - | 0.00 | 0.00 | - | 0.02 | - |
| Total | 0.05 | 0.02 | 0.08 | 0.00 | 0.01 | 0.01 | - | 0.07 | 0.05 |
| Previous Year Figures | 0.35 | 0.05 | 0.40 | 0.35 | 0.00 | 0.35 | - | 0.05 | - |

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Notes to Account

Annexure-VI

(Rs in Millions, unless otherwise stated)

| 2. INVESTMENT PROPERTY | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|--------------------------|---------------------------|---------------------------|---------------------------|
| Commercial Office - Express Zone, Mumbai | 100.87 | 101.40 | - | - |
| Total | 100.87 | 101.40 | - | - |

*The fair value of the property is Rs. 10,18,63,500. For details of depreciation and other additional disclosures Refer note 2.1

Annexure-VII

(Rs in Millions, unless otherwise stated)

| 3. NON-CURRENT INVESTMENTS | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|--------------------------|---------------------------|---------------------------|---------------------------|
| Investment carried at Fair Value Through OCI | | | | |
| Quoted Equity Shares | 166.00 | 120.76 | 138.76 | 49.23 |
| Mutual Fund | 0.13 | - | 4.31 | - |
| Investment In Unquoted Equity Shares | | | | |
| Investment in Associate | | | | |
| Sunview Nirman Pvt Ltd (Holding 31.86% share) | 25.54 | 25.53 | 22.78 | - |
| Investment in others | | | | |
| Apsara Selections Limited | 8.81 | 8.81 | 8.52 | - |
| Signageus Value Advisors Private Limited (previously known as Ambuja Technologies Private Limited) | | - | - | 1.76 |
| Vedant Commodeal Private Limited | | - | - | 3.04 |
| Investment in the books of Subsidiary (Signageus Value Advisor Private Limited- Wholly owned Subsidiary): | | | | |
| Intellect information Technologies Pvt.Ltd. | 4.49 | 4.49 | - | - |
| Apsara Selections Limited | 9.00 | 9.00 | - | - |
| Investment in the books of Subsidiary (Gretex Audiotech LLP- Holding 99.09%): | | | | |
| Apsara Selections Limited | | | | 4.29 |
| Associate of Subsidiary (Signageus Value Advisor Private Limited- Wholly owned Subsidiary): | | | | |
| Afterlink Infraprojects Private Limited | 0.49 | 0.49 | - | - |
| Sankhu Merchandise Private Limited | 0.39 | 0.39 | - | - |
| Total | 214.85 | 169.47 | 174.37 | 58.32 |

Refer note 3.1 for additional details

Annexure-VIII

(Rs in Millions, unless otherwise stated)

| 4. Loans | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|--------------------------|---------------------------|---------------------------|---------------------------|
| Non-Current Loans | | | | |
| Carried at FVTPL: | | | | |
| Advance to Related Parties | | | | |
| Advance Receivables considered good- unsecured | 0.00 | 0.00 | - | - |
| Advance to Others | | | | |
| Advance Receivables considered good- unsecured | 22.37 | 6.33 | - | - |
| Total | 22.37 | 6.33 | - | - |

Annexure-IX

(Rs in Millions, unless otherwise stated)

| 5. Other Non Current Financial Assets | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---------------------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Carried at FVTPL: | | | | |
| Security Deposit | - | 16.95 | 3.55 | - |
| Total | - | 16.95 | 3.55 | - |

Note: Security deposits are considered at cost as period is undefined

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Annexure-X

Note-6 Inventories

(Rs in Millions, unless otherwise stated)

| Details of Inventory as on 31.07.2023 | | | | | | |
|---|-----------|------------|---------------|-------------------|---------------|-------------------------------|
| Particulars | Quantity | Rate (Rs.) | Value at cost | Market Rate (Rs.) | Market Value | Lower of Cost or Market Value |
| Anuroop Packaging Limited EQ | 1,55,830 | 22.82 | 3.56 | 22.80 | 3.55 | 3.55 |
| Billwin Industries Limited EQ | 51,000 | 40.40 | 2.06 | 57.95 | 2.96 | 2.06 |
| B-Right Realstate Limited | 1,10,400 | 162.53 | 17.94 | 180.35 | 19.91 | 17.94 |
| Clara Industries Limited EQ | 2,62,300 | 175.03 | 45.91 | 172.00 | 45.12 | 45.12 |
| Comrade Appliances Limited | 1,24,000 | 74.54 | 9.24 | 108.62 | 13.47 | 9.24 |
| G M Polyplast Limited EQ | 64,400 | 144.55 | 9.31 | 114.00 | 7.34 | 7.34 |
| Gensol Engineering Limited EQ | 101 | 1,111.70 | 0.11 | 1,660.55 | 0.17 | 0.11 |
| Goel Food Products Limited EQ | 1,26,400 | 116.38 | 14.71 | 172.00 | 21.74 | 14.71 |
| Jash Dealmark Limited EQ | 3,06,000 | 11.50 | 3.52 | 11.50 | 3.52 | 3.52 |
| Innokaiz India Limited | 1,26,400 | 105.66 | 13.35 | 138.50 | 17.51 | 13.35 |
| Kids Medical Systems Limited | 1,64,000 | 7.98 | 1.31 | 7.98 | 1.31 | 1.31 |
| MAC Hotels Limited | 36,000 | 29.90 | 1.08 | 39.90 | 1.44 | 1.08 |
| Misquita Engineering Limited EQ NEW FV | 1,000 | 39.05 | 0.04 | 40.50 | 0.04 | 0.04 |
| Platinumone Business Services Limited | 20,400 | 241.59 | 4.93 | 227.10 | 4.63 | 4.63 |
| Reetech International Cargo and courier Limited | 58,800 | 57.80 | 3.40 | 61.50 | 3.62 | 3.40 |
| Resgen Limited EQ | 2,43,000 | 44.60 | 10.84 | 64.00 | 15.55 | 10.84 |
| Sagar Diamonds Limited | 2,07,000 | 7.87 | 1.63 | 34.06 | 7.05 | 1.63 |
| Sailani Tours N Travels Limited | 78,400 | 26.26 | 2.06 | 17.34 | 1.36 | 1.36 |
| Shantidoot Infra Services Limited EQ | 88,000 | 78.30 | 6.89 | 83.00 | 7.30 | 6.89 |
| Siddharth Education Services Limited | 390 | 14.75 | 0.01 | 14.75 | 0.01 | 0.01 |
| Steelman Telecom Ltd | 1,35,600 | 150.04 | 20.35 | 143.20 | 19.42 | 19.42 |
| Sudarshan Pharma Industries Limited EQ | 11,60,000 | 55.99 | 64.95 | 64.75 | 75.11 | 64.95 |
| Shri Keshav Cement and Infra Limited | 4,000 | 144.82 | 0.58 | 130.00 | 0.52 | 0.52 |
| Supertex Industries Limited | 2,50,000 | 12.69 | 3.17 | 9.71 | 2.43 | 2.43 |
| Wherrelz It Solutions Limited EQ | 8,800 | 148.17 | 1.30 | 130.20 | 1.15 | 1.15 |
| Yug Décor Limited | 3,000 | 12.87 | 0.04 | 71.00 | 0.21 | 0.04 |
| Veefin Solutions Limited | 3,200 | 90.34 | 0.29 | 136.85 | 0.44 | 0.29 |
| Total | | | 242.57 | | 276.86 | 236.92 |
| Details of Inventory as on 31.03.2023 | | | | | | |
| Particulars | Quantity | Rate (Rs.) | Value at cost | Market Rate (Rs.) | Market Value | Lower of Cost or Market Value |
| Anuroop Packaging Limited EQ | 1,55,830 | 22.82 | 3.56 | 33.14 | 5.16 | 3.56 |
| Billwin Industries Limited EQ | 57,000 | 40.08 | 2.28 | 39.28 | 2.24 | 2.24 |
| B-Right Realstate Limited | 1,08,800 | 160.88 | 17.50 | 210.00 | 22.85 | 17.50 |
| Clara Industries Limited EQ | 13,500 | 231.21 | 3.12 | 234.00 | 3.16 | 3.12 |
| Diggi Multitrade Limited | 1,40,000 | 10.25 | 1.44 | 25.25 | 3.54 | 1.44 |
| G M Polyplast Limited EQ | 9,88,400 | 25.90 | 25.60 | 141.78 | 140.14 | 25.60 |
| Gensol Engineering Limited EQ | 101 | 1420.00 | 0.14 | 1,111.70 | 0.11 | 0.11 |
| Goel Food Products Limited EQ | 1,32,000 | 107.49 | 14.19 | 130.20 | 17.71 | 14.19 |
| Jash Dealmark Limited EQ | 3,06,000 | 11.50 | 3.52 | 11.50 | 3.52 | 3.52 |
| Jayant Infratech Limited EQ | 3,000 | 80.01 | 0.24 | 73.75 | 0.22 | 0.22 |
| Kids Medical Systems Limited | 1,64,000 | 7.98 | 1.31 | 7.98 | 1.31 | 1.31 |
| MAC Hotels Limited | 36,000 | 29.90 | 1.08 | 31.00 | 1.12 | 1.08 |
| Misquita Engineering Limited EQ NEW FV | 1,000 | 63.90 | 0.06 | 39.05 | 0.04 | 0.04 |
| Platinumone Business Services Limited | 22,200 | 236.31 | 5.25 | 227.00 | 5.04 | 5.04 |
| Reetech International Cargo and courier Limited | 67,200 | 76.44 | 5.14 | 58.00 | 3.90 | 3.90 |
| Resgen Limited EQ | 3,30,000 | 45.01 | 14.85 | 52.80 | 17.42 | 14.85 |
| Sagar Diamonds Limited | 2,07,000 | 7.87 | 1.63 | 60.94 | 12.61 | 1.63 |
| Sailani Tours N Travels Limited | 81,600 | 49.41 | 4.03 | 26.04 | 2.12 | 2.12 |
| Shantidoot Infra Services Limited EQ | 92,800 | 80.62 | 7.48 | 78.00 | 7.24 | 7.24 |
| Siddharth Education Services Limited | 390 | 14.75 | 0.01 | 14.75 | 0.01 | 0.01 |
| Steelman Telecom Ltd | 1,46,400 | 156.51 | 22.91 | 138.00 | 20.20 | 20.20 |
| Sudarshan Pharma Industries Limited EQ | 15,31,200 | 62.96 | 96.40 | 55.80 | 85.44 | 85.44 |
| Wherrelz It Solutions Limited EQ | 4,800 | 168.57 | 0.81 | 154.00 | 0.74 | 0.74 |
| Yug Décor Limited | 3,000 | 12.87 | 0.04 | 58.40 | 0.18 | 0.04 |
| Total | | | 232.59 | 3,012.36 | 356.01 | 215.14 |

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Annexure-X

Note-6 Inventories

(Rs in Millions, unless otherwise stated)

| PARTICULAR | As at 31-03-2022 | | | As at 31-03-2021 | | | As at 31-03-2022 | As at 31-03-2021 |
|----------------------------------|------------------|-------------------|---------------------|------------------|-------------------|---------------------|---|---|
| | Quantity (a) | Cost Price (b) | Market Price (c) | Quantity (d) | Cost Price (e) | Market Price (f) | Valuation =(a)*(lower of (b) or (c) | Valuation =(d)*(lower of (e) or (f) |
| INVENTORIES | | | | | | | | |
| Sagar Diamonds Ltd | 2,07,000 | 7.87 | 38.90 | 2,07,000 | 7.87 | 9.05 | 1.63 | 1.63 |
| Yug Décor Ltd. | 2,000 | 19.30 | 33.30 | 2,000 | 19.30 | 30.00 | 0.04 | 0.04 |
| Diggi Multitrade Ltd | - | - | - | 4,50,000 | 9.82 | 5.87 | 0.00 | 2.64 |
| Siddharth Education Services Ltd | 390 | 14.80 | 14.75 | 390 | 14.80 | 14.75 | 0.01 | 0.01 |
| BCPL Railway Infrastucture Ltd | - | - | - | 4,89,264 | 80.26 | 65.95 | 0.00 | 32.27 |
| Mac Hotels Limited | 34,500 | 75.85 | 29.85 | 34,500 | 75.85 | 68.00 | 1.03 | 2.35 |
| Anuroop Packaging Limited | 3,20,830 | 16.60 | 15.25 | 3,60,000 | 12.36 | 7.85 | 4.89 | 2.83 |
| Gensol Engineering Limited | 21,381 | 289.37 | 296.40 | 43,200 | 77.59 | 75.30 | 6.19 | 3.25 |
| Misquita Engineering Limited | 21,000 | 28.79 | 33.00 | 25,000 | 28.60 | 26.50 | 0.60 | 0.66 |
| Billwin Industries Limited | 1,05,000 | 21.92 | 27.00 | 1,02,000 | 35.55 | 28.00 | 2.30 | 2.86 |
| G M Polyplast Limited | 1,40,800 | 173.24 | 184.00 | 1,36,800 | 173.15 | 173.15 | 24.39 | 23.69 |
| Jash Dealmark Limited | 3,06,000 | 25.50 | 11.50 | 3,06,000 | 25.50 | 11.50 | 3.52 | 3.52 |
| Kids Medical Systems Limited | 1,64,000 | 35.84 | 7.98 | 1,64,000 | 35.84 | 7.98 | 1.31 | 1.31 |
| POBS | 28,800 | 167.84 | 146.00 | | | | 4.20 | 0.00 |
| MTCL | 44,800 | 72.94 | 72.00 | | | | 3.23 | 0.00 |
| INDINFO | 1,97,49,174 | 0.12 | 4.14 | | | | 2.37 | 0.00 |
| CLARA | 54,000 | 95.60 | 95.00 | | | | 5.13 | 0.00 |
| Niks Technology Limited | 6,600 | 198.57 | 252.00 | 5,400 | 201.00 | 203.00 | 1.31 | 1.09 |
| | | | | | | | 62.15 | 78.13 |

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Annexure-XI

Note-7: Details of Current Investments

As at 31.07.2023

Quoted - Equity Shares at Fair Value through OCI (Rs in Millions, unless otherwise stated)

| Particulars | Quantity (Nos.) | Value at Cost | Market Price as on 31-07-2023 (in Rs.) | Carrying Amount at FMV |
|--------------------------------------|-----------------|---------------|--|------------------------|
| Aashka Hospitals Limited EQ | - | - | - | - |
| GreteX Corporate Services Limited | 7,200 | 0.80 | 285.00 | 2.05 |
| Inflame Appliances Limited EQ | 2,000 | 0.84 | 649.05 | 1.30 |
| Le Merite Exports Limited | - | - | - | - |
| Mahanagar Telephone Nigam Limited EQ | 2,000 | 0.06 | 20.06 | 0.04 |
| Mega Nirman & Industries Limited EQ | - | - | - | - |
| Nintec Systems Limited | - | - | - | - |
| Panchsheel Organic Limited | 21,000 | 4.19 | 189.55 | 3.98 |
| Sarthak Metals Limited EQ | 675 | 0.08 | 244.95 | 0.17 |
| The Andhra Sugars Limited EQ | 24 | 0.00 | 109.20 | 0.00 |
| Total | | 5.97 | | 7.54 |

Mutual Funds

| | | | | |
|--|---|----------|---|----------|
| Aditya Birla Sun Life Liquid Fund - Growth | - | - | - | - |
| HDFC Ultra Short Term Fund-Regular Growth | - | - | - | - |
| SBI Liquid Fund - Regular Plan - Growth | - | - | - | - |
| Total | | - | | - |

Share Warrants

| | | | | |
|----------------------------------|--------|-------------|----------|--------------|
| Freden Pharmaceuticals Limited | 10,000 | 3.00 | 1,165.75 | 11.66 |
| Total | | 3.00 | | 11.66 |
| Total Current Investments | | 8.97 | | 19.20 |

According to IndAS-113' Fair Value Measurement', the fair value of above investment has been determined as per Level-I input.

As at 31.03.2023

Quoted - Equity Shares at Fair Value through OCI (Rs in Millions, unless otherwise stated)

| Particulars | Quantity (Nos.) | Value at Cost | Market Price as on 31-03-2023 (in Rs.) | Carrying Amount at FMV |
|--------------------------------------|-----------------|---------------|--|------------------------|
| Aashka Hospitals Limited EQ | 1,14,000 | 4.91 | 42.18 | 4.81 |
| GreteX Corporate Services Limited | 7,200 | 0.80 | 201.00 | 1.45 |
| Inflame Appliances Limited EQ | 2,000 | 0.84 | 439.05 | 0.88 |
| Le Merite Exports Limited | 96,000 | 4.14 | 41.65 | 4.00 |
| Mahanagar Telephone Nigam Limited EQ | 2,000 | 0.06 | 18.05 | 0.04 |
| Mega Nirman & Industries Limited EQ | 91,369 | 1.72 | 17.47 | 1.60 |
| Nintec Systems Limited | 1,000 | 0.29 | 260.55 | 0.26 |
| Panchsheel Organic Limited | 8,000 | 1.85 | 173.05 | 1.38 |
| Sarthak Metals Limited EQ | 675 | 0.08 | 164.00 | 0.11 |
| The Andhra Sugars Limited EQ | 24 | 0.00 | 108.50 | 0.00 |
| Total | | 14.69 | | 14.52 |

Mutual Funds

| | | | | |
|--|-----------|--------------|----------|--------------|
| Aditya Birla Sun Life Liquid Fund - Growth | 14,349 | 5.07 | 359.80 | 5.16 |
| HDFC Ultra Short Term Fund-Regular Growth | 36,81,066 | 46.81 | 12.92 | 47.56 |
| SBI Liquid Fund - Regular Plan - Growth | 3,493 | 12.09 | 3,496.08 | 12.21 |
| Total | | 63.97 | | 64.93 |

Share Warrants

| | | | | |
|----------------------------------|---------------|--------------|----------|--------------|
| Freden Pharmaceuticals Limited | 10,000 | 3.00 | 300.00 | 3.00 |
| Total | 10,000 | 3.00 | - | 3.00 |
| Total Current Investments | 10,000 | 81.66 | | 82.46 |

According to IndAS-113' Fair Value Measurement', the fair value of above investment has been determined as per Level-I input.

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Notes to Account

Annexure-XII

(Rs in Millions, unless otherwise stated)

| 8.Trade Receivables | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| Considered good-Secured | | | - | - |
| Considered good-Unsecured | 0.51 | 1.23 | 33.79 | - |
| Trade Receivables which have significant increase in Credit Risks | - | - | - | - |
| Trade Receivables- Credit impared (refer Note 8.1 for Ageing schedule) | - | - | - | - |
| Total | 0.51 | 1.23 | 33.79 | - |

Annexure-XIII

(Rs in Millions, unless otherwise stated)

| 9. Cash & Cash Equivalents | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| Bank Balances other than Cash and Cash Equivalents | | | | |
| Fixed Deposit | 2.38 | 2.38 | 2.38 | 2.38 |
| Total | 2.38 | 2.38 | 2.38 | 2.38 |
| Balance in Bank | | | | |
| HDFC Bank(SETTLEMENT A/C) | 14.06 | 4.31 | 54.63 | 0.99 |
| HDFC Bank(CLIENT A/C) | - | 0.03 | 0.00 | 0.00 |
| HDFC Bank(SELF A/C) | 0.62 | 36.72 | 0.94 | 0.26 |
| Bank balance of Subsidiary | 0.97 | 2.41 | | 0.03 |
| Cash in Hand | 0.38 | 0.41 | 0.41 | 0.52 |
| Cash in Hand of Subsidiary | 0.29 | 0.32 | | 0.27 |
| Total | 16.32 | 44.20 | 55.98 | 2.07 |

Annexure-XIV

(Rs in Millions, unless otherwise stated)

| 10. Loans And Advances | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|----------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Current: | | | | |
| Carried at FVTPL: | | | | |
| Advance to Others | 12.09 | 23.65 | 15.48 | 28.32 |
| Advance to Related parties | 8.60 | 5.40 | - | - |
| Total | 20.69 | 29.05 | 15.48 | 28.32 |

Annexure-XV

(Rs in Millions, unless otherwise stated)

| 11. Other Financial Assets | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|----------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Accrued Interest on FD | 0.13 | 0.13 | 0.03 | 0.03 |
| Margin with BSE | 16.06 | 9.00 | 5.00 | 5.36 |
| Advance for Shares | 46.13 | - | 5.20 | - |
| | - | - | - | - |
| Total | 62.32 | 9.13 | 10.23 | 5.39 |

Annexure-XVI

(Rs in Millions, unless otherwise stated)

| 12. Current Tax Assets | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Current Tax Assets | - | -0.00 | - | - |
| Total | - | -0.00 | - | - |

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Notes to Account

Annexure-XVII

(Rs in Millions, unless otherwise stated)

| 13. Other Current Assets | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Balance with Revenue Authorities | 2.86 | 0.33 | 1.23 | - |
| Advance to Creditors | 0.06 | 0.04 | - | - |
| Total | 2.92 | 0.37 | 1.23 | - |

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Annexure-XVIII

NOTES TO FINANCIAL STATEMENTS

(Rs in Millions, unless otherwise stated)

| 14 | SHARE CAPITAL | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|----|--|-----------------------|------------------------|------------------------|------------------------|
| | Authorised Shares | | | | |
| | 80000000 Equity Shares of Rs. 10/- each | 800.00 | | | |
| | 82,50,000 Equity Shares of Rs. 10/- each | | 82.50 | 82.50 | 82.50 |
| | Issued, Subscribed & Fully paid-up shares | | | | |
| | 49477800 Equity Shares of Rs. 10/- each | 494.78 | | | |
| | 82,46,300 Equity Shares of Rs. 10/- each | | 82.46 | 82.46 | 82.46 |
| | Total | 494.78 | 82.46 | 82.46 | 82.46 |

| (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period : | | | | | | | | |
|--|-----------------------|-----------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|
| | As at 31st July, 2023 | | As at 31st March, 2023 | | As at 31st March, 2022 | | As at 31st March, 2021 | |
| | No. of Shares | Rs. In Millions | No. of Shares | Rs. In Millions | No. of Shares | Rs. In Millions | No. of Shares | Rs. In Millions |
| Shares outstanding at the beginning of the year | 8246300 | 82.46 | 8246300 | 82.46 | 8246300 | 82.46 | 8246300 | 82.46 |
| Shares Issued during the year - Bonus Issue | 41231500 | 412.32 | - | - | - | - | - | - |
| Shares outstanding at the end of the year | 49477800 | 494.78 | 8246300 | 82.46 | 8246300 | 82.46 | 8246300 | 82.46 |

Notes:

a. The Authorised Share Capital of the company was increased from 82,50,000 Equity Shares of Rs.10/- each to 8,00,00,000 Equity Shares of Rs. 10/- each vide resolution passed in EGM dated 11th July, 2023.

b. The company issued 41231500 equity shares of Rs. 10/- each as bonus shares in the ratio of 5:1 (i.e. 5 (Five) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) vide EGM resolution passed on 11th July, 2023 and allotted on 13th July, 2023. This is considered for calculating EPS.

| (b) Terms/ Rights attached to Equity Shares |
|---|
| The Company has only one class of Equity Shares having a par value of Rs. 10 per shares. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Registrar of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class. In the event of Winding up of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. For the said purpose, the liquidator may set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out between the members. |

| (c) Shares held by promoters at the end of the year | | | | | | | | | |
|--|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|----------|
| Promoter's Name | As at 31st July, 2023 | | As at 31st March 2023 | | As at 31st March 2022 | | As at 31st March 2021 | | % Change |
| | No. of Shares | % of Holding | No. of Shares | % of Holding | No. of Shares | % of Holding | No. of Shares | % of Holding | |
| Equity Shares of Rs. 10 each fully paid-up | | | | | | | | | |
| Ambition Tie - Up Private Limited | 5171400 | 10.45% | 8,61,900 | 10.45% | 4,66,900 | 5.66% | 4,66,900 | 5.66% | 84.60% |
| GreteX Corporate Services Limited | 15360600 | 31.05% | 25,60,100 | 31.05% | 19,80,100 | 24.01% | 19,80,100 | 24.01% | 29.29% |
| Apsara Selections Limited | 0 | 0.00% | 0 | 0.00% | 9,75,000 | 11.82% | 9,75,000 | 11.82% | -100% |
| Sankhu Merchandise Pvt Ltd | 9400200 | 19.00% | 15,66,700 | 19.00% | 15,66,700 | 19.00% | 15,66,700 | 19.00% | 0.00% |
| Sunview Nirman Private Limited | 0 | 0.00% | 0 | 0.00% | 3,43,500 | 4.17% | 3,43,500 | 4.17% | -100% |
| Pooja Harlalka | 2160000 | 4.37% | 3,60,000 | 4.37% | 3,60,000 | 4.37% | 3,60,000 | 4.37% | 0.00% |
| Sashi Harlalka | 858000 | 1.73% | 1,43,000 | 1.73% | 1,43,000 | 1.73% | 1,43,000 | 1.73% | 0.00% |
| Sumeet Harlalka | 858000 | 1.73% | 1,43,000 | 1.73% | 1,43,000 | 1.73% | 1,43,000 | 1.73% | 0.00% |
| Alok Harlalka HUF | 1380000 | 2.79% | 2,30,000 | 2.79% | 2,30,000 | 2.79% | 2,30,000 | 2.79% | 0.00% |
| Bonanza Agency LLP (Formerly Bonanza Agency Pvt Ltd) | 9314400 | 18.83% | 15,52,400 | 18.83% | 13,02,400 | 15.79% | 13,02,400 | 15.79% | 19.20% |
| Talent Investment Co Pvt Ltd | 4975200 | 10.06% | 8,29,200 | 10.06% | 7,35,700 | 8.92% | 7,35,700 | 8.92% | 12.71% |
| TOTAL | 49477800 | 100.00% | 8246300 | 100.00% | 8246300 | 100.00% | 8246300 | 100.00% | |

| (d) Details of Shareholders holding more than 5 % (percent) shares in the Company : | | | | | | | | | |
|---|-----------------------|---------------|------------------------|---------------|------------------------|---------------|------------------------|---------------|--|
| | As at 31st July, 2023 | | As at 31st March, 2023 | | As at 31st March, 2022 | | As at 31st March, 2021 | | |
| | No. of Shares | % of Holding | No. of Shares | % of Holding | No. of Shares | % of Holding | No. of Shares | % of Holding | |
| Equity Shares of Rs. 10 each fully paid-up | | | | | | | | | |
| Ambition Tie - Up Private Limited | 51,71,400 | 10.45% | 8,61,900 | 10.45% | 4,66,900 | 5.66% | 4,66,900 | 5.66% | |
| GreteX Corporate Services Limited | 1,53,60,600 | 31.05% | 25,60,100 | 31.05% | 19,80,100 | 24.01% | 19,80,100 | 24.01% | |
| Apsara Selections Limited | - | 0.00% | - | - | 9,75,000 | 11.82% | 9,75,000 | 11.82% | |
| Sankhu Merchandise Pvt Ltd | 94,00,200 | 19.00% | 15,66,700 | 19.00% | 15,66,700 | 19.00% | 15,66,700 | 19.00% | |
| Bonanza Agency LLP (Formerly Bonanza Agency Pvt Ltd) | 93,14,400 | 18.83% | 15,52,500 | 18.83% | 13,02,400 | 15.79% | 13,02,400 | 15.79% | |
| Talent Investment Co Pvt Ltd | 49,75,200 | 10.06% | 8,29,200 | 10.06% | 7,35,700 | 8.92% | 7,35,700 | 8.92% | |
| TOTAL | 4,42,21,800 | 89.38% | 73,70,400 | 89.38% | 70,26,800 | 85.21% | 70,26,800 | 85.21% | |

As per records of the Company, including its registers of Shareholders / Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

GRETEX SHARE BROKING LIMITED
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Notes to Account

Annexure-XIX
(Rs in Millions, unless otherwise stated)

| 15. Other Equity | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|--------------------------|---------------------------|---------------------------|---------------------------|
| (a) Securities Premium Account | | | | |
| Balance at the beginning of the period | 98.16 | 98.16 | 98.16 | 98.16 |
| Add: Changes during the year | (8.32) | - | - | - |
| Balance at the end of the period | 89.84 | 98.16 | 98.16 | 98.16 |
| (b) Capital Reserve | | | | |
| Balance at the beginning of the period | 0.05 | 0.05 | - | - |
| Add: Changes during the year for Consolidation on Subsidiary | - | - | 0.05 | - |
| Balance at the end of the period | 0.05 | 0.05 | 0.05 | - |
| (c) Retained Earnings | | | | |
| Balance at the beginning of the period | 520.64 | 53.08 | (32.49) | (35.89) |
| Add: Profit for the year transferred to Retained Earnings | 61.15 | 467.45 | 85.54 | 2.57 |
| Less: Adjustment of Prior Period Bad Debt | | | | (0.05) |
| Add: Adjustment of Prior Period Taxes | | | | 0.12 |
| Less: Bonus Share issued | (412.32) | | | |
| Add: Other Adjustments during the year | - | 0.11 | 0.03 | 0.77 |
| Balance at the end of the period | 169.47 | 520.64 | 53.08 | (32.49) |
| (d) Other Comprehensive Income | | | | |
| Balance at the beginning of the period | (34.92) | 86.54 | 11.32 | (5.27) |
| Add/(Less): Gain/(Loss) on change in fair value of investments | (14.83) | (34.92) | 86.54 | 11.32 |
| Less: Adjustment of last year gain on fair value | 34.92 | (86.54) | (11.32) | 5.27 |
| Add: OCI transferred to Retained Earnings | - | - | - | - |
| Balance at the end of the period | (14.83) | (34.92) | 86.54 | 11.32 |
| Total | 244.53 | 583.93 | 237.83 | 77.00 |

Annexure-XX
(Rs in Millions, unless otherwise stated)

| 16. Non-Controlling Interest | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Equity Component | - | - | - | 0.00 |
| Other Equity | - | - | - | 0.06 |
| Less: Prior Year Adjustment | - | - | - | 0.06 |

Annexure-XXI
(Rs in Millions, unless otherwise stated)

| 17. Other Non-Current Financial Liabilities | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| Carried at FVTPL: | | | | |
| Securities deposit received- Rent deposit | 10.00 | 20.00 | - | - |
| Total | 10.00 | 20.00 | - | - |

Note: Security deposits are considered at cost as period is undefined

Annexure-XXII
(Rs in Millions, unless otherwise stated)

| 18. Provision | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| Non- Current Liabilities | | | | |
| Provision for Employee Benefits: | | | | |
| Provision for Gratuity | 2.91 | 1.09 | - | - |
| Total | 2.91 | 1.09 | - | - |

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Annexure-XXIII

Note: 19: Deferred Tax Assets/Liability

(Rs in Millions, unless otherwise stated)

| PPE | As at Mar 31,2020 | As at Mar 31,2021 | As at Mar 31,2022 | As at Mar 31,2023 | As at Jul 31,2023 |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Tax Base | - | 0.07 | 0.12 | 128.50 | 127.74 |
| Carrying Amount | - | 0.07 | 0.13 | 135.03 | 139.85 |
| Difference | - | (0.00) | (0.01) | (6.54) | (12.10) |
| Type | DTA | DTL | DTL | DTL | DTL |
| Amount | 0.00 | 0.00 | 0.00 | 1.65 | 3.05 |
| DTA on Provision for Gratuity | - | - | - | 0.30 | 0.81 |
| DTA of Subsidiary | | | | 0.00 | - |
| Net DTL | 0.00 | 0.00 | 0.00 | 1.34 | 2.23 |
| Deferred tax (expense) | | 0.00 | 0.00 | 1.34 | 0.89 |

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Notes to Account

Annexure-XXIV

(Rs in Millions, unless otherwise stated)

| 20. Current Borrowings | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|--------------------------|---------------------------|---------------------------|---------------------------|
| Carried at Amortised Cost: | | | | |
| Unsecured: | | | | |
| Repayable on demand- | | | | |
| From Related Parties | | | | |
| Signageus Value Advisors Pvt Ltd (Formerly known as.Ambuja Technologies Pvt Ltd) | - | - | - | 1.83 |
| Gretext Corporate Services Limited | - | 5.16 | - | - |
| Sumit Harllaka | - | 0.72 | - | - |
| Apsara Selections Ltd | - | - | 1.59 | - |
| From Other Parties | | | | |
| SMC Investments and Advisors Ltd | - | - | - | 2.53 |
| Total | - | 5.88 | 1.59 | 4.36 |

Annexure-XXV

(Rs in Millions, unless otherwise stated)

| 21. Trade Payables | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|--------------------------|---------------------------|---------------------------|---------------------------|
| Undisputed Trade Payables - Other (Refer note-21.1 for Ageing Schedule) | 0.50 | 0.50 | 0.02 | 0.00 |
| Total | 0.50 | 0.50 | 0.02 | 0.00 |

Annexure-XXVI

(Rs in Millions, unless otherwise stated)

| 22. Other Current Liabilities | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------|--------------------------|---------------------------|---------------------------|---------------------------|
| Audit Fees Payable | 0.01 | 0.28 | 0.14 | 0.06 |
| Salary Payable | 1.26 | 1.28 | 0.10 | 0.13 |
| GST payable | - | 4.69 | 0.09 | 0.02 |
| GST - Deposit | - | - | - | - |
| PF & ESIC payable | 0.02 | 0.01 | 0.01 | - |
| Professional Tax payable | 0.01 | 0.01 | 0.00 | 0.01 |
| TDS / TCS Payable | 0.59 | 12.75 | 0.49 | 0.04 |
| Liability for expenses | 1.53 | 6.05 | - | - |
| Other Payable | 8.10 | 9.06 | 20.65 | 16.31 |
| Total | 11.52 | 34.13 | 21.48 | 16.57 |

Annexure-XXVII

(Rs in Millions, unless otherwise stated)

| 23. Provision | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| Current Liabilities | | | | |
| Provision for Others: | | | | |
| Provision for CSR | 10.10 | 4.84 | - | - |
| Provision for Employee Benefits: | | | | |
| Provisions for Gratuity | 0.32 | 0.11 | - | - |
| Total | 10.42 | 4.95 | - | - |

Annexure-XXVIII

(Rs in Millions, unless otherwise stated)

| 24. Current Tax Liabilities (Net) | As at 31st July, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| Provision for taxation, net of advance tax and TDS receivable | 77.90 | 94.48 | 15.91 | 0.14 |
| Total | 77.90 | 94.48 | 15.91 | 0.14 |

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Notes to Account

Annexure-XXIX

(Rs in Millions, unless otherwise stated)

| 25. Revenue from Operations | Year Ended | Year Ended | Year Ended | Year Ended |
|----------------------------------|---------------|-----------------|---------------|---------------|
| | 31/07/2023 | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Income From Operation | | | | |
| Sale of Services: | | | | |
| Service Charges Received | 2.06 | 12.40 | - | - |
| Client Accounting Charges | - | 0.02 | - | - |
| Market Making Fees | - | 68.50 | 21.40 | 2.27 |
| Brokerage | 0.08 | 0.02 | 0.01 | 0.04 |
| Dividend | 0.01 | 0.19 | 0.24 | 0.49 |
| Intraday trading gain | 0.43 | - | - | - |
| Outdoor Branding - At LED Screen | - | 0.00 | - | - |
| Sale of Stock-in-Trade: | | | | |
| Sales of Shares & Securities | 206.62 | 945.04 | 374.93 | 132.83 |
| Total | 209.20 | 1,026.17 | 396.58 | 135.63 |

Annexure-XXX

(Rs in Millions, unless otherwise stated)

| 26. Other Income | Year Ended | Year Ended | Year Ended | Year Ended |
|---|-------------|--------------|--------------|---------------|
| | 31/07/2023 | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Recurring and Not related to business: | | | | |
| Interest on Loan | | 11.15 | 2.47 | 0.62 |
| Interest on FD | | 0.15 | 0.25 | 0.05 |
| Other Interest Income on Deposit | 0.37 | 0.34 | 0.02 | - |
| Interest on Income Tax Refund | | 0.00 | - | 0.01 |
| Rental Income | 1.60 | 0.20 | - | - |
| Discount Received | | 0.01 | | |
| Profit on Sale of Investments | 3.77 | 25.14 | 13.25 | (3.59) |
| Balances W/off | | - | - | 0.03 |
| Other Non-Operating Income (Misc) | 1.08 | 1.48 | 0.00 | 0.03 |
| Total | 6.82 | 38.47 | 15.99 | (2.85) |

Annexure-XXXI

(Rs in Millions, unless otherwise stated)

| 27. Purchases of Stock - in - Trade | Year Ended | Year Ended | Year Ended | Year Ended |
|-------------------------------------|---------------|---------------|---------------|---------------|
| | 31/07/2023 | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Purchases of Shares & Securities | 123.81 | 497.26 | 269.18 | 140.58 |
| Total | 123.81 | 497.26 | 269.18 | 140.58 |

Annexure-XXXII

(Rs in Millions, unless otherwise stated)

| 28. Changes in inventories of finished goods, stock -in-trade and work-in-Progress | Year Ended | Year Ended | Year Ended | Year Ended |
|--|----------------|-----------------|--------------|----------------|
| | 31/07/2023 | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Opening Stock of Shares & Securities (Stock-in-trade) | 215.14 | 62.15 | 78.13 | 62.84 |
| Less: Closing stock of Shares & Securities (Stock-in-trade) | 236.92 | 215.14 | 62.15 | 78.13 |
| Total | (21.78) | (152.99) | 15.98 | (15.29) |

Annexure-XXXIII

(Rs in Millions, unless otherwise stated)

| 29. Employee benefits expenses | Year Ended | Year Ended | Year Ended | Year Ended |
|--------------------------------|-------------|--------------|-------------|-------------|
| | 31/07/2023 | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Salary & Wages | 7.72 | 43.33 | 2.79 | 2.02 |
| ESI Expenses | 0.01 | 0.05 | 0.03 | - |
| PF Expenses | 0.04 | 0.11 | 0.05 | - |
| Staff Welfare Expenses | - | 0.03 | - | - |
| Gratuity | 2.03 | 1.20 | - | - |
| Total | 9.80 | 44.72 | 2.87 | 2.02 |

Annexure-XXXIV

(Rs in Millions, unless otherwise stated)

| 30. Finance costs | Year Ended | Year Ended | Year Ended | Year Ended |
|---|------------|-------------|-------------|-------------|
| | 31/07/2023 | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Interest paid on loan from Bank & Financial Institution | | | | |
| Interest paid on loan from Others | - | 1.18 | 1.59 | 1.91 |
| Total | - | 1.18 | 1.59 | 1.91 |

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Notes to Account

Annexure-XXXV

(Rs in Millions, unless otherwise stated)

| 31. Depreciation and amortization expenses | Year Ended 31/07/2023 | Year Ended 31/03/2023 | Year Ended 31/03/2022 | Year Ended 31/03/2021 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| - On Property, Plant & Equipments | 1.42 | 1.62 | 0.02 | 0.01 |
| - On Intangible Assets | - | - | - | - |
| - On Investment Property | 0.53 | 0.46 | - | - |
| Total | 1.95 | 2.08 | 0.02 | 0.01 |

Annexure-XXXVI

(Rs in Millions, unless otherwise stated)

| 32. Other Expenses | Year Ended 31/07/2023 | Year Ended 31/03/2023 | Year Ended 31/03/2022 | Year Ended 31/03/2021 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Administrative Charges | 4.01 | 6.05 | 0.01 | - |
| Advertisement Expenses | 0.01 | 0.01 | - | - |
| Annual Maintenance Charges | 0.04 | 0.03 | - | - |
| Annual Membership & Subscription Fees | 0.22 | 0.15 | - | 0.10 |
| Audit Fees | 0.04 | 0.32 | 0.14 | 0.02 |
| Bad Debt | - | 0.00 | - | - |
| Bank Charges | 0.00 | 0.00 | 0.01 | 0.00 |
| BSE/NSE Licence Expense | 0.16 | 0.24 | - | - |
| Business Promotion Expenses | 1.03 | 19.15 | 2.26 | - |
| Car Rent | - | 0.32 | 0.60 | - |
| CSR provision | - | 2.90 | - | - |
| Computer Expenses | - | 0.01 | - | - |
| Commission Expenses | 0.22 | 0.60 | 5.58 | - |
| Demat Charges | 0.04 | 0.04 | 0.06 | 0.02 |
| Delivery Charges | - | 0.00 | - | - |
| Duties & Taxes Expenses | - | 0.21 | - | - |
| Electricity expenses | 0.05 | - | - | - |
| Filing Fees | - | 0.01 | 0.01 | 0.01 |
| Flat maintainance charges | 0.55 | - | - | - |
| General Expenses | 0.02 | 0.07 | 0.11 | 0.02 |
| Intra Day Loss | - | 0.94 | - | - |
| Insurance Expenses | 0.09 | 0.14 | 0.01 | 0.01 |
| Late Fees | 0.00 | 1.32 | 0.05 | 0.04 |
| Legal Charges | - | 0.12 | 0.05 | - |
| Interest on TCS | - | - | - | 0.02 |
| Interest on P Tax | 0.00 | - | - | 0.00 |
| Share of Loss From Gretex Audio Tech LLP (Previously known as ASP Infinity Solutions LLP) | - | 0.02 | 0.00 | 0.00 |
| Loss From sale of Investment Gretex Audio Tech LLP (Previously known as ASP Infinity Solutions LLP) | - | - | 3.97 | - |
| Marketing Expenses | - | - | 0.13 | - |
| Membership fees | 0.02 | - | - | - |
| NSDL Licence Expense | 0.20 | 0.35 | - | - |
| Office Expenses | 0.01 | 0.75 | - | - |
| Penal Charges | - | - | 0.01 | 0.01 |
| Postage & Courier Charges | 0.01 | 0.01 | - | - |
| Printing & Stationery | 0.04 | 0.12 | - | - |
| Professional Charges | 0.38 | 3.31 | 5.85 | 0.02 |
| Professional Tax | 0.01 | 0.01 | 0.01 | 0.01 |
| Rent Office | 2.89 | 6.51 | - | - |
| Repairs & Maintenance to Building | 0.53 | 0.10 | - | - |
| ROC Expenses | 0.01 | - | - | - |
| STT Expenses | 0.35 | 1.60 | - | 0.03 |
| Service Charges Paid | - | 0.11 | - | - |
| Software Expenses | 0.01 | 0.47 | 0.07 | 0.10 |
| Stamp Duty | 0.03 | 0.15 | 0.04 | -0.00 |
| Stock Exchange Expenses | 0.04 | 1.18 | 0.00 | - |
| Telephone Expenses | 0.03 | 0.14 | 0.00 | - |
| Trade Licence | - | 0.00 | - | - |
| Travelling Expenses | - | 0.17 | 0.05 | 0.00 |
| Certification fees | - | - | - | 0.00 |
| ROC Inspection Charges | - | - | - | 0.00 |
| SEBI Charges | - | - | - | 0.00 |
| Auction Charges | - | - | - | 0.06 |
| Car Expenses | - | - | - | 0.04 |
| Website Expenses | 0.03 | 0.01 | - | - |
| Total | 11.07 | 47.64 | 19.02 | 0.51 |

GRETEX SHARE BROKING LIMITED

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Notes to Account

Annexure-XXXVII

(Rs in Millions, unless otherwise stated)

| 33. Tax expense | Year Ended 31/07/2023 | Year Ended 31/03/2023 | Year Ended 31/03/2022 | Year Ended 31/03/2021 |
|--------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Current Income Tax | 23.77 | 153.82 | 18.37 | 0.47 |
| Deffered Tax | 0.89 | 1.34 | 0.00 | 0.00 |
| Total | 24.66 | 155.16 | 18.37 | 0.47 |

Annexure-XXXVIII

(Rs in Millions, unless otherwise stated)

| 34. Other Comprehensive Income | Year Ended 31/07/2023 | Year Ended 31/03/2023 | Year Ended 31/03/2022 | Year Ended 31/03/2021 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| (A) Current Investment | | | | |
| Cost of investments | 8.97 | 81.66 | - | |
| Less: Fair Value at closing determined for Re-stated purposes | 19.20 | 82.46 | - | |
| Gain due to changes in fair value | 10.23 | 0.80 | - | |
| (B) Non-Current Investment | | | | |
| Cost of investments | 239.91 | 202.50 | 87.78 | 47.00 |
| Less: Fair Value at closing determined for Re-stated purposes | 214.85 | 166.78 | 174.32 | 58.32 |
| Gain due to changes in fair value | (25.06) | (35.72) | 86.54 | 11.32 |
| Net Gain due to changes in fair value | (14.83) | (34.92) | 86.54 | 11.32 |

Annexure-XXXIX

(Rs in Millions, unless otherwise stated)

| 35. Earnings Per Equity Share | Year Period 31/07/2023 | Year Ended 31/03/2023 | Year Ended 31/03/2022 | Year Ended 31/03/2021 |
|---|---------------------------|--------------------------|--------------------------|--------------------------|
| (A) Basic Earning Per Share | | | | |
| Net Profit /(Loss) attributable to Equity Shareholders | 61.15 | 467.45 | 85.54 | 2.57 |
| Weighted average number of Equity Shares (after bonus) | 49477800 | 49477800 | 49477800 | 49477800 |
| Basic Earning per share of Rs.10/- each in (Rs.) | 1.24 | 9.45 | 1.73 | 0.05 |
| (B) Diluted Earning Per Share | | | | |
| Net Profit /(Loss) attributable to Equity Shareholders | 61.15 | 467.45 | 85.54 | 2.57 |
| Weighted average number of Equity Shares (after bonus) | 49477800 | 49477800 | 49477800 | 49477800 |
| Add: Prospective Equity Shares(Pending for allotment) | - | - | - | - |
| | 4,94,77,800 | 4,94,77,800 | 4,94,77,800 | 4,94,77,800 |
| Diluted Earning per share of Rs.10/- each in (Rs.) | 1.24 | 9.45 | 1.73 | 0.05 |

Restated Profit for the year attributable to equity shareholders does not include other comprehensive income

GRETEX SHARE BROKING LIMITED

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Note: 2.1 (Additional disclosures for Investment Property)

(Rs in Millions, unless otherwise stated)

| PARTICULARS | Gross Block (At Cost) | | | Depreciation | | | Net Block | |
|---|-----------------------|-------------------------------|--------------------------|--------------------|----------------|---------------------|---------------------|---------------------|
| | As at 01.04.2022 | Addition During the period | Total Cost 31.03.2023 | Upto 01.04.2022 | For the period | Total 31.03.2023 | As at 31.03.2023 | As at 31.03.2022 |
| <u>Investment Property: (Owner-Occupied)</u> | | | | | | | | |
| Commecial Office - Express Zone, Mumbai | - | 101.86 | 101.86 | - | 0.46 | 0.46 | 101.40 | - |
| <i>During the year rental income earned from the property is Rs. 2,00,000.</i> | | | | | | | | |
| PARTICULARS | Gross Block (At Cost) | | | Depreciation | | | Net Block | |
| | As at 01.04.2023 | Addition During the period | Total Cost 31.07.2023 | Upto 01.04.2023 | For the period | Total 31.07.2023 | As at 31.07.2023 | As at 31.03.2023 |
| <u>Investment Property: (Owner-Occupied)</u> | | | | | | | | |
| Commecial Office - Express Zone, Mumbai | 101.86 | - | 101.86 | 0.46 | 0.53 | 0.99 | 100.87 | 101.40 |
| <i>During the year rental income earned from the property is Rs. 16,00,000.</i> | | | | | | | | |

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Note-3.1: Details of Non-Current Investments

As on 31.07.2023

Quoted - Equity Shares at Fair Value through OCI

(Rs in Millions, unless otherwise stated)

| Particulars | Quantity | Value at Cost | Market Price as on 31-07-2023 (Rs.) | Carrying Amount at FMV | Valuation method |
|---|-----------|---------------|-------------------------------------|------------------------|-------------------|
| Alkosign Limited | 6,000 | 0.28 | 97.56 | 0.59 | Valued at Level-1 |
| Alok Industries Limited | 7,054 | 0.16 | 14.63 | 0.10 | |
| Ang Lifesciences India Limited | 4,000 | 0.07 | 64.75 | 0.26 | |
| Aplaya Creations Limited | 23,000 | 0.01 | 0.40 | 0.01 | |
| Artemis Electricals And Projects Limited | 3,29,040 | 2.18 | 14.17 | 4.66 | |
| Ashapuri Gold Ornament Limited | 1,21,600 | 6.46 | 10.50 | 1.28 | |
| Bhatia Communications & Retail (India) Limited | 3,61,000 | 2.85 | 15.99 | 5.77 | |
| Britannia Industries Limited NCD | 50 | - | 32.00 | 0.00 | |
| Deep Polymers Limited | 1,57,500 | 10.77 | 89.97 | 14.17 | |
| Dhruv Wellness Limited | 67,500 | 5.60 | 19.03 | 1.28 | |
| Dynamic Cables Limited | 3,500 | 0.49 | 419.25 | 1.47 | |
| Foche India Limited | 1,200 | 0.27 | 744.00 | 0.89 | |
| Gala Global Products Limited | 1,17,300 | 3.95 | 6.54 | 0.77 | |
| Gee Limited | 27,500 | 2.34 | 71.46 | 1.97 | |
| HCL Technologies Limited | 80 | 0.07 | 1,117.05 | 0.09 | |
| Indiabulls Real Estate Limited | 1,000 | 0.15 | 69.19 | 0.07 | |
| Indiamart Intermesh Limited | 10 | 0.04 | 3,111.80 | 0.03 | |
| J.B. Chemicals And Pharmaceuticals Limited | 286 | 0.48 | 2,496.55 | 0.71 | |
| Jindal Drilling & Industries Ltd | 940 | 0.13 | 418.35 | 0.39 | |
| Nitu Trading Company Limited | 1,15,000 | 1.27 | 10.00 | 1.15 | |
| Orissa Bengal Carrier Limited | 1,66,000 | 4.90 | 49.15 | 8.16 | |
| Raghuvansh Agro Farms Limited | 4,40,625 | 142.03 | 204.90 | 90.28 | |
| Ritco Logistics Limited | 1,600 | 0.11 | 244.25 | 0.39 | |
| Sagar Productions Limited | 50,000 | 0.56 | 2.88 | 0.14 | |
| Shri Venkatesh Refineries Limited | 3,000 | 0.31 | 134.00 | 0.40 | |
| Siyaram Silk Mills Limited | 611 | 0.28 | 552.00 | 0.34 | |
| Sunstar Realty Development Limited | 72,000 | 0.01 | 0.19 | 0.01 | |
| Super Fine Knitters Ltd | 20,000 | 0.36 | 11.00 | 0.22 | |
| Symbiox Investment & Trading Co. Limited | 44,000 | 0.01 | 2.93 | 0.13 | |
| Sysco Industries Limited | 25,000 | 0.07 | 2.81 | 0.07 | |
| Tata Teleservices (Maharashtra) Ltd | 400 | 0.09 | 79.04 | 0.03 | |
| Vishal Bearings Limited | 2,992 | 0.18 | 142.85 | 0.43 | |
| Wipro Limited | 408 | 0.21 | 405.00 | 0.17 | |
| Yamini Investments Company Limited | 22,500 | 0.00 | 0.61 | 0.01 | |
| Zee Entertainment Enterprises Ltd | 2,501 | 0.79 | 242.25 | 0.61 | |
| Total (A) | | 187.50 | | 137.06 | - |
| Investment of Subsidiary: | | | | | |
| Gretex Industries Limited | 5,27,000 | 7.19 | 54.00 | 28.46 | Level-1 |
| Markolines Pavement Technologies Ltd | 4,000 | 0.50 | 120.85 | 0.48 | |
| Total (B) | | 7.69 | | 28.94 | - |
| Total (A+B) | | 195.19 | | 166.00 | - |
| Quoted - Mutual Funds at Fair Value through OCI | | | | | |
| Axis Growth Opportunity Fund | 4,316,587 | 0.09 | 22.67 | 0.10 | Level-1 |
| Edelweiss Balance Advantage Fund | 753,731 | 0.03 | 40.07 | 0.03 | |
| Total | | 0.12 | | 0.13 | |
| Unquoted - Equity Shares at Fair Value through OCI | | | | | |
| Apsara Selections Limited | 58,750 | 5.88 | 150.00 | 8.81 | Level-2 |
| Investment in Associates (Initially recognised at cost): | | | | | |
| Sunview Nirman Private Limited | 2,64,400 | 25.53 | 99.00 | 25.53 | |
| Add: Share of Profit of associate | | | | 0.01 | |
| Investment in Associates of Subsidiary (Initially recognised at cost): | | | | | |
| Afterlink Infraprojects Private Limited | 50,000 | 0.49 | | 0.49 | |
| Add: Share of Profit of associate | | | | -0.00 | |
| Sankhu Merchandise Private Limited | 50,000 | 0.45 | | 0.39 | |
| Add: Share of Profit of associate | | | | -0.00 | |
| Other Investment of Subsidiary (FVTOCI): | | | | | |
| Apsara Selections Limited | 60,000 | 8.70 | 150.00 | 9.00 | |
| Intellect information Technologies Pvt.Ltd. | 2,000 | 3.55 | 2,246.68 | 4.49 | |
| Total | | 44.59 | | 48.72 | |
| Total Non-Current Investments | | 239.91 | | 214.85 | |

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Note-3.1: Details of Non-Current Investments

As on 31.03.2023

Quoted - Equity Shares at Fair Value through OCI

(Rs in Millions, unless otherwise stated)

| Particulars | Quantity | Value at Cost | Market Price as on 31-03-2023 (Rs.) | Carrying Amount at FMV | Valuation method |
|---|----------|---------------|-------------------------------------|------------------------|-------------------|
| Alkosign Limited | 6,000 | 0.28 | 75.93 | 0.46 | Valued at Level-1 |
| Alok Industries Limited | 7,054 | 0.16 | 11.60 | 0.08 | |
| Ang Lifesciences India Limited | 4,000 | 0.07 | 76.05 | 0.30 | |
| Aplaya Creations Limited | 23,000 | 0.01 | 0.40 | 0.01 | |
| Artemis Electricals And Projects Limited | 32,904 | 2.18 | 13.80 | 0.45 | |
| Ashapuri Gold Ornament Limited | 1,21,600 | 6.46 | 71.99 | 8.75 | |
| Bhatia Communications & Retail (India) Limited | 3,61,000 | 2.85 | 17.02 | 6.14 | |
| Deep Polymers Limited | 1,57,500 | 10.77 | 86.36 | 13.60 | |
| Dhruv Wellness Limited | 67,500 | 5.60 | 21.48 | 1.45 | |
| Dynamic Cables Limited | 3,500 | 0.49 | 166.05 | 0.58 | |
| Foce India Limited | 1,200 | 0.27 | 410.00 | 0.49 | |
| Gala Global Products Limited | 1,17,300 | 3.95 | 6.38 | 0.75 | |
| Gee Limited | 27,500 | 2.34 | 65.07 | 1.79 | |
| HCL Technologies Limited | 80 | 0.07 | 1,085.25 | 0.09 | |
| Indiabulls Real Estate Limited | 1,000 | 0.15 | 48.90 | 0.05 | |
| Indiamart Intermesh Limited | 5 | 0.04 | 5,019.75 | 0.03 | |
| J.B. Chemicals And Pharmaceuticals Limited | 286 | 0.48 | 1,976.35 | 0.57 | |
| Jindal Drilling & Industries Ltd | 940 | 0.13 | 239.90 | 0.23 | |
| Nitu Trading Company Limited | 1,15,000 | 1.27 | 10.00 | 1.15 | |
| Orissa Bengal Carrier Limited | 1,66,000 | 4.90 | 48.85 | 8.11 | |
| Raghuvansh Agro Farms Limited | 2,97,500 | 107.99 | 198.00 | 58.91 | |
| Ritco Logistics Limited | 1,600 | 0.11 | 151.50 | 0.24 | |
| Sagar Productions Limited | 50,000 | 0.56 | 2.09 | 0.10 | |
| Shri Venkatesh Refineries Limited | 3,000 | 0.31 | 161.20 | 0.48 | |
| Siyaram Silk Mills Limited | 611 | 0.28 | 416.20 | 0.25 | |
| Sunstar Realty Development Limited | 72,000 | 0.01 | 0.19 | 0.01 | |
| Super Fine Knitters Ltd | 20,000 | 0.36 | 11.96 | 0.24 | |
| Symbiox Investment & Trading Co. Limited | 44,000 | 0.01 | 3.46 | 0.15 | |
| Sysco Industries Limited | 25,000 | 0.07 | 2.81 | 0.07 | |
| Tata Teleservices (Maharashtra) Ltd | 400 | 0.09 | 55.45 | 0.02 | |
| Vishal Bearings Limited | 2,992 | 0.18 | 134.62 | 0.40 | |
| Wipro Limited | 408 | 0.21 | 365.25 | 0.15 | |
| Yamini Investments Company Limited | 22,500 | 0.00 | 0.57 | 0.01 | |
| Zee Entertainment Enterprises Ltd | 2,501 | 0.79 | 212.25 | 0.53 | |
| Total (A) | | 153.45 | | 106.66 | - |
| Investment of Subsidiary: | | | | | |
| Gretex Industries Limited | 5,27,000 | 7.19 | 26.75 | 14.10 | Level-1 |
| Total (B) | | 7.19 | | 14.10 | - |
| Total (A+B) | | 160.65 | | 120.76 | - |
| Unquoted - Equity Shares at Fair Value through OCI | | | | | |
| Apsara Selections Limited | 58,750 | 5.88 | 150.00 | 8.81 | Level-2 |
| Investment in Associates (Initially recognised at cost): | | | | | |
| Sunview Nirman Private Limited | 2,64,400 | 22.78 | 99.00 | 22.78 | |
| Add: Share of Profit of associate | | | | 2.75 | |
| Investment in Associates of Subsidiary (Initially recognised at cost): | | | | | |
| Afterlink Infraprojects Private Limited | 50,000 | 0.49 | | 0.49 | |
| Add: Share of Profit of associate | | | | 0.00 | |
| Sankhu Merchandise Private Limited | 50,000 | 0.45 | | 0.45 | |
| Add: Share of Profit of associate | | | | -0.05 | |
| Other Investment of Subsidiary (FVTOCI): | | | | | |
| Apsara Selections Limited | 60,000 | 8.70 | 150.00 | 9.00 | |
| Intellect information Technologies Pvt.Ltd. | 2,000 | 3.55 | 2,246.68 | 4.49 | |
| Total | | 41.85 | | 48.72 | |
| Total Non-Current Investments | | 202.50 | | 169.48 | |

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Note-3.1: Details of Non-Current Investments

As on 31.03.2022

Quoted - Equity Shares at Fair Value through OCI

(Rs in Millions, unless otherwise stated)

| Particulars | Quantity | Value at Cost | Market Price as on 31-03-2022 (Rs.) | Carrying Amount at FMV | Valuation method |
|--|----------|---------------|-------------------------------------|------------------------|-------------------|
| Allied Digital Services Limited | 1,470 | 0.24 | 114.30 | 0.17 | Valued at Level-1 |
| Ashapuri Gold Ornament Ltd | 1,21,600 | 6.46 | 71.95 | 8.75 | |
| Alkosign Ltd | 6,000 | 0.28 | 45.15 | 0.27 | |
| Alok Industries Limited | 7,054 | 0.16 | 25.35 | 0.18 | |
| Ang Lifesciences India Limited | 3,200 | 0.07 | 234.60 | 0.75 | |
| Angel One Ltd | 360 | 0.43 | 1,535.85 | 0.55 | |
| Aplaya Creations Limited | 23,000 | 0.01 | 0.40 | 0.01 | |
| Artemis Electricals And Projects Limited | 32,904 | 2.18 | 48.45 | 1.59 | |
| Borosil Renewables Ltd | 281 | 0.18 | 580.35 | 0.16 | |
| Bhatia Communications & Retail (India) Limited | 3,61,000 | 2.85 | 23.20 | 8.38 | |
| Deep Polymers Limited | 1,57,500 | 10.77 | 172.85 | 27.22 | |
| Dhruv Consultancy Services Ltd | 450 | 0.02 | 61.95 | 0.03 | |
| Divi'S Laboratories Ltd | 51 | 0.25 | 4,403.85 | 0.22 | |
| Dynamic Cables Ltd | 3,500 | 0.49 | 122.55 | 0.43 | |
| Dhruv Wellness Limited | 67,500 | 5.60 | 380.00 | 25.65 | |
| Equitas Small Finance Bank Ltd | 1,997 | 0.24 | 106.50 | 0.21 | |
| Fairchem Organics Ltd | 90 | 0.16 | 1,504.75 | 0.14 | |
| Foce India Limited | 1,200 | 0.27 | 206.10 | 0.25 | |
| Gee Limited | 27,500 | 2.34 | 63.45 | 1.74 | |
| Gala Global Products Limited | 1,17,300 | 3.95 | 33.55 | 3.94 | |
| Gujarat Fluorochemicals Ltd | 110 | 0.31 | 2,748.35 | 0.30 | |
| HCL Technologies Limited | 80 | 0.07 | 1,163.35 | 0.09 | |
| Hikal Limited | 656 | 0.33 | 402.45 | 0.26 | |
| Indiabulls Real Estate Limited | 7,702 | 1.16 | 101.35 | 0.78 | |
| Indiamart Intermesh Limited | 25 | 0.18 | 4,323.20 | 0.11 | |
| Jindal Drilling & Industries Ltd | 940 | 0.13 | 238.65 | 0.22 | |
| J.B. Chemicals And Pharmaceuticals Limited | 362 | 0.61 | 1,575.20 | 0.57 | |
| Just Dial Limited | 275 | 0.22 | 711.35 | 0.20 | |
| UNO Minda Ltd | 172 | 0.20 | 932.45 | 0.16 | |
| C.E. Info Systems Ltd | 116 | 0.16 | 1,509.15 | 0.18 | |
| Nitu Trading Company Limited | 1,15,000 | 1.27 | 10.00 | 1.15 | |
| Orissa Bengal Carrier Limited | 1,66,000 | 4.90 | 125.10 | 20.77 | |
| Prabhat Technologies (India) Ltd | 50,000 | 0.21 | 315.00 | 15.75 | |
| Raghuvansh Agro Farms Limited | 31,250 | 4.12 | 430.00 | 13.44 | |
| Reliance Infrastructure Limited | 1,500 | 0.22 | 112.60 | 0.17 | |
| R&B Denims Ltd | 941 | 0.07 | 82.70 | 0.08 | |
| Ritco Logistics Limited | 1,600 | 0.11 | 70.00 | 0.11 | |
| Sagar Productions Limited | 50,000 | 0.56 | 3.23 | 0.16 | |
| Siyaram Silk Mills Limited | 698 | 0.32 | 419.80 | 0.29 | |
| Super Fine Knitters Ltd | 20,000 | 0.36 | 7.55 | 0.15 | |
| Sunstar Realty Development Limited | 72,000 | 0.01 | 0.19 | 0.01 | |
| Shri Venkatesh Refineries Limited | 3,000 | 0.31 | 123.25 | 0.37 | |
| Symbiox Investment & Trading Co. Limited | 44,000 | 0.01 | 4.90 | 0.22 | |
| Sysco Industries Limited | 25,000 | 0.07 | 2.81 | 0.07 | |
| Tata Steel Limited | 132 | 0.05 | 1,307.05 | 0.17 | |
| Tata Teleservices (Maharashtra) Ltd | 400 | 0.09 | 166.85 | 0.07 | |
| Tata Power Limited | 3,229 | 0.62 | 238.85 | 0.77 | |
| Vishal Bearings Limited | 2,992 | 0.18 | 58.00 | 0.17 | |
| Wipro Limited | 408 | 0.21 | 592.00 | 0.24 | |
| Yamini Investments Company Limited | 22,500 | 0.00 | 1.84 | 0.04 | |
| Zee Entertainment Enterprises Ltd | 3,589 | 1.13 | 288.25 | 1.03 | |
| Total | | 55.16 | | 138.76 | - |

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Note-3.1: Details of Non-Current Investments

Quoted - Mutual Funds at Fair Value through OCI

| | | | | | |
|----------------------------------|----------|-------------|-------|-------------|---------|
| Axis Growth Opportunity Fund | 1,02,506 | 2.00 | 21.87 | 2.24 | Level-1 |
| Edelweiss Balance Advantage Fund | 57,801 | 2.00 | 35.81 | 2.07 | |
| Total | | 4.00 | | 4.31 | |

Unquoted - Equity Shares at Fair Value through OCI

| | | | | | |
|---|----------|--------------|--------|---------------|---------|
| Apsara Selections Limited | 58,750 | 5.88 | 145.00 | 8.52 | Level-2 |
| Investment in Associates (Initially recognised at cost): | | | | | |
| Sunview Nirman Private Limited | 2,64,400 | 22.74 | 99.00 | 22.74 | |
| Add: Capital reserve on Consolidation of associate | | | | 0.05 | |
| Total | | 28.61 | | 31.30 | |
| Total Non-Current Investments | | 87.78 | | 174.37 | |

As on 31.03.2021

Quoted - Equity Shares at Fair Value through OCI

(Rs in Millions, unless otherwise stated)

| Particulars | Quantity | Value at Cost | Market Price as on 31-03-2021 (Rs.) | Carrying Amount at FMV | Valuation method |
|--|----------|---------------|-------------------------------------|------------------------|-------------------|
| Ashapuri Gold Ornament Ltd | 1,21,600 | 6.46 | 43.05 | 5.23 | Valued at Level-1 |
| Ang Lifesciences India Limited | 1,600 | 0.07 | 85.80 | 0.14 | |
| Aplaya Creations Limited | 23,000 | 0.01 | 0.13 | 0.00 | |
| Artemis Electricals And Projects Limited | 32,904 | 2.18 | 41.95 | 1.38 | |
| Bhatia Communications & Retail (India) Limited | 32,000 | 2.39 | 68.00 | 2.18 | |
| Deep Polymers Limited | 90,000 | 6.91 | 61.95 | 5.58 | |
| Dhruv Wellness Limited | 67,500 | 5.60 | 81.00 | 5.47 | |
| Gala Global Products Limited | 72,400 | 2.51 | 27.60 | 2.00 | |
| Nitu Trading Company Limited | 1,15,000 | 1.27 | 10.00 | 1.15 | |
| Orissa Bengal Carrier Limited | 2,16,000 | 6.38 | 23.50 | 5.08 | |
| Prabhat Technologies (India) Ltd | 50,000 | 0.21 | 320.15 | 16.01 | |
| Raghuvansh Agro Farms Limited | 1,250 | 0.25 | 129.35 | 0.16 | |
| Sagar Productions Limited | 50,000 | 0.56 | 4.97 | 0.25 | |
| Sunstar Realty Development Limited | 72,000 | 0.01 | 0.19 | 0.01 | |
| Super Fine Knitters Ltd | 20,000 | 0.36 | 7.10 | 0.14 | |
| Symbiox Investment & Trading Co. Limited | 44,000 | 0.01 | 0.91 | 0.04 | |
| Sysco Industries Limited | 25,000 | 0.07 | 2.81 | 0.07 | |
| Tata Steel Limited | 13 | 0.00 | 811.95 | 0.01 | |
| Tata Steel Limited | 119 | 0.05 | 811.95 | 0.10 | |
| WAA Solar Limited | 44,000 | 1.14 | 91.50 | 4.03 | |
| Yamini Investments Company Limited | 22,500 | 0.00 | 0.49 | 0.01 | |
| Zee Entertainment Enterprises Ltd | 1,000 | 0.38 | 203.15 | 0.20 | |
| Total | | 36.83 | | 49.23 | - |

Unquoted - Equity Shares at Fair Value through OCI

| | | | | | |
|---|--------|--------------|--------|--------------|---------|
| Ambuja Technologies Private Limited | 2,000 | 1.51 | 881.35 | 1.76 | Level-2 |
| Vedant Commodore Private Limited | 4,773 | 4.77 | 637.28 | 3.04 | Level-3 |
| Investment in the books of Subsidiary: | | | | | |
| Apsara Selection Ltd | 58,750 | 3.88 | 73.03 | 4.29 | Level-2 |
| Total | | 10.16 | | 9.09 | |
| Total Non-Current Investments | | 47.00 | | 58.32 | |

Note-8.1: Ageing schedule of trade receivables

(i) Ageing for trade receivable outstanding as at 31st March, 2021 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|-------------|------------------|------------------|-------------------|-------------------------|
| | Less than 6 month | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More than 3 years | |
| (i) Undisputed Trade receivables- considered good | - | - | - | - | - | - |
| (ii) Undisputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade receivables- considered good | - | - | - | - | - | - |
| (iv) Disputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| | | | | | | 0.00 |

(ii) Ageing for trade receivable outstanding as at 31st March, 2022 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|-------------|------------------|------------------|-------------------|-------------------------|
| | Less than 6 month | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More than 3 years | |
| (i) Undisputed Trade receivables- considered good | 33.79 | - | - | - | - | 33.79 |
| (ii) Undisputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade receivables- considered good | - | - | - | - | - | - |
| (iv) Disputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| | | | | | | 33.79 |

(iii) Ageing for trade receivable outstanding as at 31st March, 2023 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|-------------|------------------|------------------|-------------------|-------------------------|
| | Less than 6 month | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More than 3 years | |
| (i) Undisputed Trade receivables- considered good | 1.23 | - | - | - | - | 1.23 |
| (ii) Undisputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade receivables- considered good | - | - | - | - | - | - |
| (iv) Disputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| | | | | | | 1.23 |

(iv) Ageing for trade receivable outstanding as at 31st July, 2023 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|-------------|------------------|------------------|-------------------|-------------------------|
| | Less than 6 month | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More than 3 years | |
| (i) Undisputed Trade receivables- considered good | 0.51 | - | - | - | - | 0.51 |
| (ii) Undisputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade receivables- considered good | - | - | - | - | - | - |
| (iv) Disputed Trade receivables- considered doubtful | - | - | - | - | - | - |
| | | | | | | 0.51 |

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Note-21.1 Ageing shedule of trade payables

(i) Ageing schedule for trade payables outstanding as at 31st March, 2021 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|------------------|------------------|-------------------|---|-------------------------|
| | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More then 3 years | | |
| (i) Undisputed Trade Payables - MSME | - | - | - | - | - | - |
| (ii) Undisputed Trade Payables - Other | 0.00 | - | - | - | - | 0.00 |
| (iii) Disputed Trade Payables- MSME | - | - | - | - | - | - |
| (iv) Disputed Trade Payables - Other | - | - | - | - | - | - |
| | | | | | | 0.00 |

(ii) Ageing schedule for trade payables outstanding as at 31st March, 2022 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|------------------|------------------|-------------------|---|-------------------------|
| | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More then 3 years | | |
| (i) Undisputed Trade Payables - MSME | - | - | - | - | - | - |
| (ii) Undisputed Trade Payables - Other | 0.02 | - | - | - | - | 0.02 |
| (iii) Disputed Trade Payables- MSME | - | - | - | - | - | - |
| (iv) Disputed Trade Payables - Other | - | - | - | - | - | - |
| | | | | | | 0.02 |

(iii) Ageing schedule for trade payables outstanding as at 31st March, 2023 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|------------------|------------------|-------------------|---|-------------------------|
| | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More then 3 years | | |
| (i) Undisputed Trade Payables - MSME | - | - | - | - | - | - |
| (ii) Undisputed Trade Payables - Other | 0.50 | - | - | - | - | 0.50 |
| (iii) Disputed Trade Payables- MSME | - | - | - | - | - | - |
| (iv) Disputed Trade Payables - Other | - | - | - | - | - | - |
| | | | | | | 0.50 |

(iv) Ageing schedule for trade payables outstanding as at 31st July, 2023 is as follows

| Particulars | Outstanding for following periods from the date of payments | | | | | Total (Rs. in Millions) |
|--|---|------------------|------------------|-------------------|---|-------------------------|
| | Upto 1 year | 1 year to 2 year | 2 year to 3 year | More then 3 years | | |
| (i) Undisputed Trade Payables - MSME | - | - | - | - | - | - |
| (ii) Undisputed Trade Payables - Other | - | 0.50 | - | - | - | 0.50 |
| (iii) Disputed Trade Payables- MSME | - | - | - | - | - | - |
| (iv) Disputed Trade Payables - Other | - | - | - | - | - | - |
| | | | | | | 0.50 |

Note-15: STATEMENT OF CHANGES IN EQUITY

(Rs in Millions, unless otherwise stated)

| Equity Share Capital | Balance at the beginning of the F.Y. 2020-21 | | | Changes in equity share capital during the year | Balance at the beginning of the F.Y. 2020-21 |
|--|--|-----------------|-------------------|---|--|
| Atributable to the owners of the parent | 82.46 | | | - | 82.46 |
| Atributable to non-controlling interest | 0.00 | | | - | 0.00 |
| Total | 82.47 | | | - | 82.47 |
| Equity Share Capital | Balance at the beginning of the F.Y. 2021-22 | | | Changes in equity share capital during the year | Balance at the beginning of the F.Y. 2021-22 |
| Atributable to the owners of the parent | 82.46 | | | - | 82.46 |
| Atributable to non-controlling interest | 0.00 | | | (0.00) | - |
| Total | 82.47 | | | (0.00) | 82.46 |
| Equity Share Capital | Balance at the beginning of the F.Y. 2022-23 | | | Changes in equity share capital during the year | Balance at the beginning of the F.Y. 2022-23 |
| Atributable to the owners of the parent | 82.46 | | | - | 82.46 |
| Atributable to non-controlling interest | - | | | - | - |
| Total | 82.46 | | | - | 82.46 |
| Other Equity | Reserves & Surplus | | | Other Comprehensive Income | Total |
| | Securities Premium Reserve | Capital Reserve | Retained Earnings | equity instruments through Other Comprehensive Income | |
| Balance as at April 01, 2020 | 98.16 | | (35.89) | -5.27 | 57.00 |
| Changes in accounting policy/prior period errors | - | | - | - | - |
| Adjustment of discontinuation of associate | | | 0.77 | | 0.77 |
| Restated balance at the beginning of the reporting period | - | | - | - | - |
| Adjustment for earlier year gain | | | | 5.27 | 5.27 |
| Gain/(loss) on fair value of investments | - | | - | 11.32 | 11.32 |
| Transfer to retained earnings | - | | 2.57 | - | 2.57 |
| Balance as at March 31, 2021 | 98.16 | | (32.56) | 11.32 | 76.92 |
| Other Equity attributable to Non-controlling interest as at March 31, 2021 | | | 0.06 | | 0.06 |
| Balance as at April 1, 2021 | 98.16 | | (32.56) | 11.32 | 76.92 |
| Changes in accounting policy/prior period errors | - | | - | - | - |
| Arise on Consolidation of Associate | | 0.05 | | | 0.05 |
| Adjustment of discontinuation of subsidiary | | | 0.03 | | 0.03 |
| Restated balance at the beginning of the reporting period | - | | - | - | - |
| Adjustment for Other Equity attributable to Non-controlling interest | | | 0.06 | | 0.06 |
| Adjustment for earlier year gain | | | | (11.32) | (11.32) |
| Gain/(loss) on fair value of investments | - | | - | 86.54 | 86.54 |
| Transfer to retained earnings | - | | 85.54 | - | 85.54 |
| Balance as at March 31, 2022 | 98.16 | 0.05 | 53.07 | 86.54 | 237.82 |
| Other Equity attributable to Non-controlling interest as at March 31, 2022 | 0.06 | | (0.06) | | - |
| Balance as at April 1, 2022 | 98.16 | 0.05 | 53.07 | 86.54 | 237.82 |
| Adjustment for prior period provisions | - | | 0.11 | - | 0.11 |
| Restated balance at the beginning of the reporting period | - | | - | - | - |
| Adjustment for earlier year gain | | | | (86.54) | (86.54) |
| Gain/(loss) on fair value of investments | - | | - | (34.92) | (34.92) |
| Transfer to retained earnings | - | | 467.45 | - | 467.45 |
| Balance as at March 31, 2023 | 98.16 | 0.05 | 520.63 | -34.92 | 583.92 |
| Balance as at April 1, 2023 | 98.16 | 0.05 | 520.63 | -34.92 | 583.92 |
| Adjustment for prior period provisions | - | | - | - | - |
| Restated balance at the beginning of the reporting period | - | | - | - | - |
| Expenses for increase in Authorised capital | (6.82) | | | | (6.82) |
| IPO related expenses | (1.50) | | | | (1.50) |
| Adjustment for earlier year gain | | | | 34.92 | 34.92 |
| Gain/(loss) on fair value of investments | - | | - | (14.83) | (14.83) |
| Bonus Share Issued | | | (412.32) | | (412.32) |
| Transfer to retained earnings | - | | 61.15 | - | 61.15 |
| Balance as at July 31, 2023 | 89.84 | 0.05 | 169.46 | -14.83 | 244.51 |

Note: Remeasurment of net defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit and loss shall be recognised as a part of retained earnings with separate disclosure of such items alongwith the relevant amounts in the Notes.

For. GUPTA AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 329001E

JAY SHANKER GUPTA
PARTNER
MEMBERSHIP NO. 059535
UDIN : 23059535BGSXEN8852
PLACE : KOLKATA
DATE : 07.12.2023

For and on behalf of Board of Directors
GRETEX SHARE BROKING PRIVATE LIMITED

ARVIND HARLALKA
MANAGING DIRECTOR
DIN: 00494136

ALOK HARLALKA
Managing Director
DIN: 02486575

NIKET PRADIPBHAI THAKKAR
COMPANY SECRETARY
PLACE : MUMBAI
DATE : 07.12.2023

DEEPAK NAVINCHANDRA SHAH
WTD & CFO
DIN: 02585061

Annexure-XXXXI

A RELATED PARTY DISCLOSURES

(a) List of Related Parties

Name of related parties with whom transactions have taken place during the year:

(i) Key Management Personnel

Alok Harlalka
Arvind Harlalka

(ii) Enterprise where control exists

Gretex Corporate Services Private Limited
Apsara Selections Limited
Sankhu Merchandise Pvt Ltd
Gretex Industries Limited
Signageus Value Advisors Private Limited
Sunview Nirman Private Limited
Gretex Audiotech LLP (Formerly Asp
Infinity Solution LLP)
Lambodar Dealcom LLP
Bonanza Agency LLP (Formerly Bonanza
Agency Private Limited)
Ambition Tie-Up Private Limited
Talent Management Co. Private Limited
Gretex Admin & HR Services

(iii) Relatives of Key Management Personnel

Sumeet Harlalka - Brother of Arvind
Harlalka & Alok Harlalka
Pooja Harlalka - Wife of Alok Harlalka
Raj Kumari Harlalka - Mother of Arvind
Harlalka & Alok Harlalka
Sashi Harlalka - Wife of Sumit Harlalka

Alok Harlalka - HUF - Karta Alok Harlalka
Sumit Harlalka - HUF - Karta Sumeet
Harlalka brother of Alok Harlalka

(iv) Other Related Parties

| (Rs in Millions, unless otherwise stated) | | | | | | | | | | | | | | | | | |
|---|-----------------------------------|--------------------|---------|---------|------------|---------------------------------|---------|---------|------------|---------------------------------------|---------|---------|---------------------|------------|---------|---------|---------|
| (b) | Transactions with Related Parties | | | | | | | | | | | | Balance Outstanding | | | | |
| | Related Parties | | | | | | | | | | | | | | | | |
| | Particulars | Key Mgm. Personnel | | | | Enterprise where control exists | | | | Relatives of Key Management Personnel | | | | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 |
| 31.07.2023 | | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | | | | | |
| Rent Expense | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sumit Harlalka HUF | - | - | - | - | - | - | - | - | - | 0.32 | 0.60 | - | - | - | - | - | - |
| Business Promotion Expenses | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Signageus Value Advisors Private Limited | - | - | - | - | - | 9.44 | 0.38 | - | - | - | - | - | - | 1.16 | - | - | - |
| Gretext Admin & HR Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Commission Paid | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Ltd | - | - | - | - | - | - | 5.90 | - | - | - | - | - | - | - | - | - | - |
| Service Charges Received (Inc GST) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Music Sq- Mumbai (GIL) | - | - | - | - | - | 0.24 | - | - | - | - | - | - | - | - | - | - | - |
| Office, Administration & HR Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Admin & HR Services | - | - | - | - | 4.72 | 7.14 | - | - | - | - | - | - | 0.43 | - | - | - | - |
| Brokerage Charges Received | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Pvt. Ltd | - | - | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - | - |
| Service/ Professional Charges Paid (Inclusive of GST) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Pvt. Ltd | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Admin & HR Services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Signageus Value Advisors Private Limited | - | - | - | - | - | - | 4.13 | - | - | - | - | - | - | - | - | - | - |
| Rent Received (Inc. GST) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Ltd | - | - | - | - | 1.42 | - | - | - | - | - | - | - | 0.43 | - | - | - | - |
| Music Square (GIL) | - | - | - | - | 0.47 | - | - | - | - | - | - | - | - | - | - | - | - |
| Reimbursement of Expenses (Inc. of GST where ever is applicable) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Alok Harlalka | - | - | 0.00 | 0.00 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Arvind Harlalka | - | - | 0.36 | 0.01 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Pvt. Ltd | - | - | - | - | 0.00 | 0.93 | 1.01 | - | - | - | - | - | - | - | - | - | - |
| Sumit Harlalka | - | - | - | - | - | - | - | - | - | - | 0.00 | - | - | - | - | - | - |
| Reimbursement of Expenses (Salary) | - | - | - | - | - | - | 0.09 | 0.02 | - | - | - | - | - | - | - | - | - |
| Signageus Value Advisors Private Limited | - | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Industries Limited | - | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - | - | - |
| Music Sq- Mumbai (GIL) | - | - | - | - | - | 0.01 | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Audiotech LLP | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Admin & HR Services | - | - | - | - | 0.16 | 0.22 | - | - | - | - | - | - | - | - | - | - | - |
| Advances (Received) / Given | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Pvt. Ltd | - | - | - | - | - | -106.34 | 36.63 | 2.61 | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Pvt. Ltd | - | - | - | - | 5.16 | 115.51 | -31.93 | -2.61 | - | - | - | - | - | -5.16 | - | - | - |
| Gretext Industries Limited | - | - | - | - | - | -133.01 | -27.74 | -1.36 | - | - | - | - | - | - | - | - | 0.11 |
| Gretext Industries Limited | - | - | - | - | 0.05 | 132.69 | 21.54 | 4.07 | - | - | - | - | - | - | - | - | - |
| Lambodar Dealcom LLP | - | - | - | - | - | -0.10 | -0.01 | - | - | - | - | - | - | - | - | - | - |

| (b) | Transactions with Related Parties | | | | | | | | | | | | Balance Outstanding | | | | |
|--|-----------------------------------|--------------------|---------|---------|------------|---------------------------------|---------|---------|------------|---------------------------------------|---------|---------|---------------------|------------|---------|---------|---------|
| | Related Parties | | | | | | | | | | | | | | | | |
| | Particulars | Key Mgm. Personnel | | | | Enterprise where control exists | | | | Relatives of Key Management Personnel | | | | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 |
| 31.07.2023 | | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | | | | | |
| Lambodar Dealcom LLP | - | - | - | - | - | 0.10 | 0.01 | - | - | - | - | - | - | - | - | - | - |
| Rajkumari Harlalka | - | - | - | - | - | - | - | - | 0.20 | -105.03 | -8.33 | - | - | - | - | - | - |
| Rajkumari Harlalka | - | - | - | - | - | - | - | - | -0.20 | 102.30 | 9.36 | - | - | - | - | 1.10 | - |
| Sankhu Merchandise Private Limited | - | - | - | - | - | -3.42 | -0.04 | - | - | - | - | - | - | - | - | 3.03 | 2.80 |
| Sankhu Merchandise Private Limited | - | - | - | - | - | 0.18 | 0.04 | 2.80 | - | - | - | - | - | - | - | - | - |
| Gretext Admin & HR Services | - | - | - | - | -1.29 | 0.50 | - | - | - | - | - | - | 0.43 | - | - | - | - |
| Gretext Admin & HR Services | - | - | - | - | 1.88 | -0.50 | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Audiotech LLP | - | - | - | - | - | 0.04 | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Audiotech LLP | - | - | - | - | - | -0.04 | - | - | - | - | - | - | - | - | - | - | - |
| Signageus Value Advisors Private Limited | - | - | - | - | - | -31.54 | -6.03 | 6.23 | - | - | - | - | - | - | - | - | -1.83 |
| Signageus Value Advisors Private Limited | - | - | - | - | 1.16 | 31.55 | 11.92 | -1.52 | - | - | - | - | - | - | - | - | - |
| Pooja Harlalka | - | - | - | - | - | - | - | - | - | -2.41 | -0.70 | -0.55 | - | - | - | - | - |
| Pooja Harlalka | - | - | - | - | - | - | - | - | - | 2.37 | 0.75 | 0.60 | - | - | - | - | - |
| Alok Harlalka | 2.00 | -10.18 | -0.29 | -0.25 | - | - | - | - | - | - | - | - | - | - | - | 3.44 | 1.55 |
| Alok Harlalka | - | 6.40 | 1.96 | 1.80 | - | - | - | - | - | - | - | - | 2.00 | 0.00 | - | - | - |
| Alok Harlalka HUF | - | - | - | - | - | - | - | - | - | 1.20 | 0.10 | - | - | - | - | - | - |
| Alok Harlalka HUF | - | - | - | - | - | - | - | - | - | -1.20 | -0.10 | - | - | - | - | - | - |
| Sashi Harlalka | - | - | - | - | - | - | - | - | - | -0.32 | -0.51 | - | - | - | - | - | 0.48 |
| Sashi Harlalka | - | - | - | - | - | - | - | - | - | 0.32 | 0.47 | 0.48 | - | - | - | - | - |
| Sumit Harlalka | - | - | - | - | - | - | - | - | 0.72 | -0.81 | -1.36 | -0.68 | - | -0.72 | - | - | 1.05 |
| Sumit Harlalka | - | - | - | - | - | - | - | - | - | 0.09 | 0.32 | 1.73 | - | - | - | - | - |
| Arvind Harlalka | - | -0.05 | -0.86 | 0.07 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Arvind Harlalka | - | 0.05 | 0.50 | -0.07 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ambition Tie- Up Private Limited | - | - | - | - | - | -1.63 | - | - | - | - | - | - | - | - | - | - | - |
| Ambition Tie- Up Private Limited | - | - | - | - | - | 2.57 | 0.02 | 0.86 | - | - | - | - | - | - | - | 0.95 | 0.86 |
| Sumit Harlalka HUF | - | - | - | - | - | - | - | - | - | - | - | -0.59 | - | - | - | - | - |
| Sumit Harlalka HUF | - | - | - | - | - | - | - | - | - | - | 1.18 | - | - | - | - | - | - |
| Sunview Nirman Private Limited | - | - | - | - | - | -12.20 | -0.83 | - | - | - | - | - | - | - | - | - | - |
| Sunview Nirman Private Limited | - | - | - | - | - | 12.65 | 22.79 | - | - | - | - | - | - | - | - | - | - |
| Talent Investment Co Pvt Ltd. | - | - | - | - | - | 0.11 | -0.02 | - | - | - | - | - | - | - | - | - | - |
| Talent Investment Co Pvt Ltd. | - | - | - | - | - | -0.11 | 0.02 | - | - | - | - | - | - | - | - | - | - |
| Bonanza Agency LLP | - | - | - | - | - | -1.81 | -19.96 | -17.53 | - | - | - | - | - | - | - | - | 13.51 |
| Bonanza Agency LLP | - | - | - | - | - | 1.81 | 5.64 | 20.99 | - | - | - | - | - | - | - | - | - |
| Dynamic Trading Co | - | - | - | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - |
| Apsara Selection Limited (Cr.) | - | - | - | - | - | 4.34 | - | - | - | - | - | - | - | - | - | -4.34 | - |
| Apsara Selection Limited | - | - | - | - | -5.00 | -23.89 | -3.54 | - | - | - | - | - | - | - | - | -1.59 | - |
| Apsara Selection Limited | - | - | - | - | 5.00 | 26.08 | 2.02 | - | - | - | - | - | - | - | - | - | - |
| Interest Expense | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Signageus Value Advisors Private Limited | - | - | - | - | - | - | - | 0.52 | - | - | - | - | - | - | - | - | - |
| Alok Harlalka | - | - | 0.25 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Apsara Selection Limited | - | - | - | - | - | 0.67 | 0.06 | - | - | - | - | - | - | - | - | - | - |
| Gretext Industries Limited | - | - | - | - | - | - | 0.02 | - | - | - | - | - | - | - | - | - | - |
| Sunview Nirman Private Limited | - | - | - | - | - | 0.50 | - | - | - | - | - | - | - | - | - | - | - |

| (b) | Transactions with Related Parties | | | | | | | | | | | | Balance Outstanding | | | | |
|--|-----------------------------------|--------------------|---------|---------|------------|---------------------------------|---------|---------|------------|---------------------------------------|---------|---------|---------------------|------------|---------|---------|---------|
| | Related Parties | | | | | | | | | | | | | | | | |
| | Particulars | Key Mgm. Personnel | | | | Enterprise where control exists | | | | Relatives of Key Management Personnel | | | | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 |
| 31.07.2023 | | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | | | | | |
| Interest Received | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Alok Harlalka | - | 0.31 | 0.25 | 0.00 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ambition Tie Up Pvt. Ltd. | - | - | - | - | - | - | 0.08 | 0.00 | - | - | - | - | - | - | - | - | - |
| Bonanza Agency LLP | - | - | - | - | - | - | 0.91 | 0.01 | - | - | - | - | - | - | - | - | - |
| GreteX Industries Limited | - | - | - | - | - | 0.33 | 0.12 | 0.00 | - | - | - | - | - | - | - | - | - |
| Rajkumari Harlalka | - | - | - | - | - | - | - | - | - | 1.62 | 0.08 | - | - | - | - | - | - |
| Sankhu Merchandise Private Limited | - | - | - | - | - | 0.21 | 0.25 | 0.00 | - | - | - | - | - | - | - | - | - |
| Sunview Nirman Private Limited | - | - | - | - | - | - | 0.06 | - | - | - | - | - | - | - | - | - | - |
| Pooja Harlalka | - | - | - | - | - | - | - | - | - | 0.04 | - | - | - | - | - | - | - |
| GreteX Corporate Services Limited | - | - | - | - | - | 1.87 | - | - | - | - | - | - | - | - | - | - | - |
| Dividend Received | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| GreteX Corporate Services Ltd | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - | - | - | - |
| TDS (Receivable) / Payable | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ambition Tie Up Pvt. Ltd. | - | - | - | - | - | - | - | -0.01 | - | - | - | - | - | - | - | - | - |
| Bonanza Agency LLP | - | - | - | - | - | - | - | -0.09 | - | - | - | - | - | - | - | - | - |
| GreteX Corporate Services Pvt. Ltd | - | - | - | - | -0.12 | -0.10 | 0.27 | - | - | - | - | - | - | - | - | - | - |
| GreteX Industries Limited | - | - | - | - | - | - | -0.01 | - | - | - | - | - | - | - | - | - | - |
| GreteX Industries Limited | - | - | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - | - |
| Rajkumari Harlalka | - | - | - | - | - | - | - | - | - | 0.01 | -0.01 | - | - | - | - | - | - |
| Sankhu Merchandise Private Limited | - | - | - | - | - | - | -0.03 | - | - | - | - | - | - | - | - | - | - |
| Signageus Value Advisors Private Limited | - | - | - | - | - | - | 0.08 | - | - | - | - | - | - | - | - | - | - |
| Sashi Harlalka | - | - | - | - | - | - | - | - | 0.03 | 0.09 | - | - | - | - | - | - | - |
| Sumit Harlalka | - | - | - | - | - | - | - | - | 0.14 | 1.10 | 0.11 | - | - | - | - | - | - |
| Sumit Harlalka HUF | - | - | - | - | - | - | - | - | - | 0.01 | 0.01 | - | - | - | - | - | - |
| Sunview Nirman Private Limited | - | - | - | - | - | -0.05 | -0.01 | - | - | - | - | - | - | - | - | - | - |
| Apsara Selection Limited | - | - | - | - | - | -0.07 | - | - | - | - | - | - | - | - | - | - | - |
| Music Sq. (GIL) | - | - | - | - | -0.04 | -0.02 | - | - | - | - | - | - | - | - | - | - | - |
| GreteX Admin & HR Services | - | - | - | - | 0.08 | 0.12 | - | - | - | - | - | - | - | - | - | - | - |
| Alok Harlalka | -0.03 | 10.36 | -0.03 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Arvind Harlalka | -0.27 | 2.24 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Employees' Provident Fund | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| GreteX Corporate Services Pvt. Ltd | - | - | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - | - |
| Sashi Harlalka | - | - | - | - | - | - | - | - | 0.01 | 0.03 | 0.01 | - | - | - | - | - | - |
| Sumit Harlalka | - | - | - | - | - | - | - | - | 0.01 | 0.03 | 0.01 | - | - | - | - | - | - |
| Salary | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Alok Harlalka | 0.40 | 26.50 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Arvind Harlalka | 1.20 | 6.60 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sashi Harlalka | - | - | - | - | - | - | - | - | 0.30 | 0.90 | 0.45 | 0.48 | - | - | - | - | - |
| Sumit Harlalka | - | - | - | - | - | - | - | - | 0.80 | 4.30 | 1.50 | 0.60 | - | - | - | - | - |
| Pooja Harlalka | - | - | - | - | - | - | - | - | - | - | 0.05 | 0.60 | - | - | - | - | - |
| Dimple Magharam Slun | - | - | 0.03 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Advance for Shares | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| GreteX Corporate Services Ltd | - | - | - | - | 46.13 | - | - | - | - | - | - | - | 46.13 | - | - | - | - |

| (b) Transactions with Related Parties | | | | | | | | | | | | | Balance Outstanding | | | |
|---|--------------------|---------|---------|---------|---------------------------------|---------|---------|---------|---------------------------------------|---------|---------|---------|---------------------|---------|---------|---------|
| Related Parties | | | | | | | | | | | | | | | | |
| Particulars | Key Mgm. Personnel | | | | Enterprise where control exists | | | | Relatives of Key Management Personnel | | | | | | | |
| | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 | 31.07.2023 | 2022-23 | 2021-22 | 2020-21 |
| Investment in Shares/ Advance for Shares | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Private Limited | - | - | - | - | - | 15.68 | 3.51 | 11.54 | - | - | - | - | - | - | - | - |
| Apsara Selection Limited | - | - | - | - | - | 4.34 | 4.34 | - | - | - | - | - | - | - | -4.34 | - |
| Ambition Tie- Up Private Limited | - | - | - | - | - | 13.86 | - | - | - | - | - | - | 4.73 | 4.73 | - | - |
| Talent Management Co. Private Limited | - | - | - | - | -0.97 | 2.84 | - | - | - | - | - | - | - | 0.97 | - | - |
| Bonanza Agency (LLP) | - | - | - | - | - | 9.70 | - | - | - | - | - | - | 3.31 | 3.31 | - | - |
| ASP Infinity Solutions LLP | - | - | - | - | - | - | 6.00 | - | - | - | - | - | - | - | - | - |
| Sunview Nirman Pvt. Ltd. | - | - | - | - | - | - | 22.02 | - | - | - | - | - | - | - | - | - |
| Sale/ (Purchase) of Shares Shares | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gretext Industries Limited | - | - | - | - | - | - | 6.00 | - | - | - | - | - | - | - | - | - |
| Gretext Corporate Services Private Limited | - | - | - | - | - | -15.18 | 5.44 | - | - | - | - | - | - | - | - | - |
| Bonanza Agency LLP | - | - | - | - | - | - | - | 10.03 | - | - | - | - | - | - | - | - |
| Repayment of Advance | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sunview Nirman Private Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Pooja Harlalka | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | |
|--|--|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| (c) List of Holding, Subsidiary and Associate | | | | | | | | | | | | | | | | |
| Company | | | | | | | | | | | | | | | | |
| - Holding Entity | | The Company does not have any holding entity. | | | | | | | | | | | | | | |
| - Subsidiary Entity | | Signageus Value Advisors Pvt. Ltd. (Wholly Owned) | | | | | | | | | | | | | | |
| - Associate Entity | | Sunview Nirman Pvt Ltd | | | | | | | | | | | | | | |

(d) There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2) of Income tax Act'1961.

As per our Report of even date.
GUPTA AGARWAL & ASSOCIATES
Chartered Accountants
FRN : 329001E

JAY SHANKER GUPTA
Partner
Membership No. 059535
UDIN : 23059535BGSXEN8852

Date : 07.12.2023
Place : Kolkata

For and on Behalf of the Board
GRETEX SHARE BROKING LIMITED

ARVIND HARLALKA
Director
DIN :00494136

NIKET PRADIPBHAI THAKKAR
COMPANY SECRETARY

Date:
Place :Mumbai

ALOK HARLALKA
Manageing Director
DIN : 02486575

DEEPAK NAVINCHANDRA SHAH
WTD & CFO

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Annexure-XXXXII

Restated Statement of Adjustments to Audited Financial Statements

(i) Reconciliation of Restated Profit:

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company

(Rs in Millions, unless otherwise stated)

| Particulars | For the Period ended 31st July'23 | For the year ended 31st March'23 | For the year ended 31st March'22 | For the year ended 31st March'21 |
|---|---|--|--|--|
| Profit after tax as per audited/ re-audited financial statements | 46.31 | 432.48 | 172.16 | 13.89 |
| (i) Adjustments on account of change in accounting policies: | | | | |
| (ii) Other material adjustments: | | | | |
| Revenue from operation | - | - | - | - |
| Other Income | - | - | - | - |
| Cost of material consumed | - | - | - | - |
| Changes in Inventory | - | - | - | - |
| Employee benefit expenses | - | - | - | - |
| CSR Expenses | - | - | - | - |
| Finance cost | - | - | - | - |
| Depreciation and amortization expense | - | - | - | - |
| Bad Debt | - | - | 0.05 | - |
| Income tax adjustments | - | 0.04 | (0.13) | - |
| Mat credit entitlement | - | - | - | - |
| Deferred tax adjustment | - | - | - | - |
| Fair value changes of Current Investment | - | - | - | - |
| (iii) Audit Qualifications: | - | - | - | - |
| Restated profit after tax | 46.31 | 432.53 | 172.08 | 13.89 |

Notes:- Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

Adjustments having impact on Profit: To give Explanatory Notes regarding Adjustments:

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

(ii) Reconciliation of Restated Shareholders Funds:

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

(Rs in Millions, unless otherwise stated)

| Particulars | For the Period ended 31st July'23 | As at 31st March'23 | As at 31st March'22 | As at 31st March'21 |
|--|---|------------------------|------------------------|------------------------|
| Shareholder's funds as per Audited/ Re-audited financial statements | 739.30 | 666.35 | 320.30 | 159.46 |
| (i) Adjustments on account of change in accounting policies: | | | | |
| Gain/ (Loss) on change of fair valuation of investment through OCI | | - | - | - |
| (ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial | | | | |
| (iii) Other material adjustments # : | | | | |
| Prior period adjustment | | - | - | 0.07 |
| Finance cost | | - | - | - |
| Other Expenses | | - | - | - |
| Deferred tax adjustment | | - | - | - |
| Gratuity for earlier years | | - | - | - |
| Income tax adjustments | - | 0.04 | (0.01) | - |
| Deferred tax adjustment | | - | - | - |
| Preliminary Exps Adjustment | | - | - | - |
| Other Comprehensive Income | | - | - | - |
| (v) Audit Qualifications: | | | | |
| Restated Shareholder's funds | 739.30 | 666.39 | 320.29 | 159.53 |

Note: Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

Adjustments having impact on Profit:

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserves & Surplus due to the restated effect on the Profit/ (Loss) of prior period.

To give Explanatory Notes regarding Adjustments:

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Annexure-XXXIII

STATEMENT OF CAPITALISATION

(Rs in Millions, unless otherwise stated)

| PARTICULARS | Pre-Offer 31.07.2023 | Pre-Offer 31.03.2023 | Post-Offer |
|---|-------------------------|-------------------------|------------|
| Debt | | | |
| - Short Term Debt | - | 5.88 | - |
| - Long Term Debt | - | - | - |
| Total Debt | - | 5.88 | - |
| Shareholders' Fund (Equity) | | | |
| - Share Capital | 494.78 | 82.46 | - |
| - Reserves & Surplus | 244.53 | 583.93 | - |
| Total Shareholders' Fund (Equity) | 739.30 | 666.39 | - |
| Long Term Debt / Equity (In Ratio) | - | - | - |
| Total Debt / Equity (In Ratio) | - | 0.01 | - |

Notes:-

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/07/2023
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Annexure-XXXXIV
OTHER FINANCIAL INFORMATION

(Rs in Millions, unless otherwise stated)

| Particulars | As at 31.07.2023 | As at 31.03.2023 | As at 31.03.2022 | As at 31.03.2021 |
|---|------------------|------------------|------------------|------------------|
| Net Worth (A) | 739.30 | 666.39 | 320.29 | 159.52 |
| Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) | 80.94 | 587.39 | 89.53 | 7.80 |
| Restated Profit after tax | 61.15 | 467.45 | 85.54 | 2.57 |
| Add: Prior Period Item | - | - | - | - |
| Adjusted Profit after Tax (B) | 61.15 | 467.45 | 85.54 | 2.57 |
| Number of Equity Share outstanding as on the End of Year / Period (C) (Nos.) | 49477800 | 8246300 | 8246300 | 8246300 |
| Weighted average no of Equity shares as on the end of the period year (D(i)) | 49477800 | 8246300 | 8246300 | 8246300 |
| Weighted average no of Equity shares as on the end of the period year [After Bonus] (D(ii)) | 49477800 | 49477800 | 49477800 | 49477800 |
| Face Value per Share | 10.00 | 10.00 | 10.00 | 10.00 |
| Restated Basic & Diluted Earnings Per Share (Rs.) (B/D(i)) | 1.24 | 56.69 | 10.37 | 0.31 |
| Restated Basic & Diluted Earnings Per Share [After Bonus] (Rs.) (B/D(ii)) | 1.24 | 9.45 | 1.73 | 0.05 |
| Return on Net worth (%) (B/A) | 8.27% | 70.15% | 26.71% | 1.61% |
| Net asset value per share (A/D(i)) | 14.94 | 80.81 | 38.84 | 19.35 |
| Net asset value per share [After Bonus] (A/D(ii)) | 14.94 | 13.47 | 6.47 | 3.22 |

EPS as on 31st July, 2023 is not annualised

Notes:-

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

Restated Profit after Tax available to equity shareholders

Weighted average number of equity shares outstanding at the end of the year / period

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

Restated Net Worth of Equity Share Holders

Number of equity shares outstanding at the end of the year / period

(iii) Return on Net worth (%)

Restated Profit after Tax available to equity shareholders

Restated Net Worth of Equity Share Holders

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses.

Exceptional items (Provision for CSR) has not been considered while determining EBITDA.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with INDAS-33 "Earning per Share".

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

6. The Authorised Share Capital of the company was increased from 82,50,000 Equity Shares of Rs.10/- each to 8,00,00,000 Equity Shares of Rs. 10/- each vide resolution passed in EGM dated 11th July, 2023.

7. The company issued 41231500 equity shares of Rs. 10/- each as bonus shares in the ratio of 5:1 (i.e. 5 (Five) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) vide EGM resolution passed on 11th July, 2023 and allotted on 13th July, 2023. This is considered for calculating EPS.

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Annexure-XXXXV

RESTATED STATEMENT OF TAX SHELTER

(Rs in Millions, unless otherwise stated)

| Particulars | As at 31.07.2023 | As at 31.03.2023 | As at 31.03.2022 | As at 31.03.2021 |
|--|------------------|------------------|------------------|------------------|
| (A) Income from House Property | | | | |
| Gross Rent | 1.60 | 0.20 | - | - |
| Less: Standard deduction | 0.48 | 0.06 | - | - |
| Income from House Property(A) | 1.12 | 0.14 | - | - |
| (B) Income from Profits & Gains from Business/Professions | | | | |
| Net profit as per P&L Account | 85.80 | 619.92 | 103.91 | 3.04 |
| Add: Depreciation as per Companies Act, 2013 | 1.95 | 2.08 | 0.02 | 0.01 |
| Add: CSR Provision | 5.37 | 4.84 | - | - |
| Add: Intra Day Loss | - | 0.94 | - | - |
| Add: Penalties & Late Fees | 0.00 | 1.32 | 0.05 | 0.06 |
| Add: CSR Donation paid | - | 2.90 | - | - |
| Add: LLP Loss | - | 0.02 | 3.97 | 0.00 |
| Add: Loss from Subsidiary | 1.15 | - | - | - |
| Add: Disallowed u/s 37- Fees for increase in authorised capital | 6.82 | - | - | - |
| Add:Gratuity Provision | 2.03 | 1.20 | - | - |
| | 103.12 | 633.21 | 107.95 | 3.10 |
| Less: Income from House Property | (1.60) | (0.20) | - | - |
| Less: Income from Subsidiary | - | (2.70) | - | 0.07 |
| Less: Income from capital gain | (3.77) | (25.14) | (13.25) | 3.59 |
| Less: Income from other sources | (1.45) | (13.12) | (2.74) | (0.71) |
| Less: Depreciation as per Income Tax Act,1961 | (6.98) | (8.13) | (0.02) | (0.07) |
| Less: Brought Forward Loss | - | - | (23.57) | - |
| Income/(Loss) From Business & Profession(B) | 89.33 | 583.92 | 68.38 | 5.99 |
| (C) Income from Capital Gain | | | | |
| LTCG | - | 17.34 | 4.08 | (0.35) |
| STCG | 3.77 | 7.80 | - | (3.25) |
| Income from Capital Gain(C) | 3.77 | 25.14 | 4.08 | (3.59) |
| (D) Income from Other Sources | | | | |
| Interest on Loan | - | 11.15 | 2.47 | 0.62 |
| Interest on Fixed Deposit | - | 0.15 | 0.25 | 0.05 |
| Other Interest Income | 0.37 | 0.34 | 0.02 | - |
| Interest on Income Tax Refund | - | 0.00 | - | 0.01 |
| Other Misc Income | 1.08 | 1.48 | 0.00 | 0.03 |
| Income from Other Sources(D) | 1.45 | 13.12 | 2.74 | 0.71 |
| Gross Total Income | 95.66 | 622.33 | 75.19 | 6.70 |
| Less: Adjustment for business loss | - | - | - | 6.70 |
| Less: Income taxable at special rate | 3.77 | 25.14 | 4.08 | - |
| Taxable at Normal rate | 91.89 | 597.18 | 71.11 | - |
| Normal Tax | 20.22 | 131.38 | 15.64 | - |
| Special Tax 15% | 0.57 | 1.17 | - | - |
| Special Tax 10% | - | 1.73 | 0.41 | - |
| Total | 20.78 | 134.28 | 16.05 | - |
| Add: Surcharge 10% | 2.08 | 13.43 | 1.61 | - |
| Add: Education Cess 4% | 0.91 | 5.91 | 0.71 | - |
| Total tax payable | 23.77 | 153.62 | 18.37 | - |
| Add: Tax of Subsidiary | - | 0.20 | - | - |
| Total tax payable | 23.77 | 153.82 | 18.37 | - |
| Tax payable as per MAT u/s 115JB | - | - | - | 0.46 |
| Add: Health & Education cess | - | - | - | 0.02 |
| Tax payable as per MAT u/s 115JB | - | - | - | 0.47 |
| Current tax as per restated Statement of Profit & Loss | 23.77 | 153.82 | 18.37 | 0.47 |

GRETEX SHARE BROKING LIMITED

CIN: U65900MH2010PLC289361

Annexure-XXXXVI

RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Rs in Millions, unless otherwise stated)

| Particulars | As at 31.07.2023 | As at 31.03.2023 | As at 31.03.2022 | As at 31.03.2021 |
|--------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | NA | NA | NA | NA |
| | | | | |

GRETEX SHARE BROKING LIMITED
CIN: U65900MH2010PLC289361

Annexure-XXXVII

AA Restated Statement of Ratio:

| Sr. No. | Particulars | Numerator | Denominator | As at (in %) | | | | Variance (in %) | | |
|---------|------------------------------------|-----------------------------------|----------------------------|--------------|------------|------------|------------|-----------------|---------|----------|
| | | | | 31/07/2023 | 31/03/2023 | 31/03/2022 | 31/03/2021 | 2021-22 | 2022-23 | 2023-24 |
| a) | Current Ratio | Current Assets | Current Liabilities | 3.60 | 2.74 | 4.65 | 5.52 | -15.79% | -40.97% | 31.22% |
| b) | Debt-Equity Ratio | Total Debt | Shareholder's Equity | - | 0.01 | 0.00 | 0.03 | -81.90% | 78.11% | -100.00% |
| c) | Debt Service Coverage Ratio | EBITDA | Debt Service | 13.77 | 212.37 | 21.71 | 0.17 | 12428.92% | 878.31% | -93.52% |
| d) | Return on Equity Ratio | Net Profits after Taxes | Shareholder's Equity | 0.08 | 0.70 | 0.27 | 0.02 | 1560.28% | 162.66% | -88.21% |
| e) | Inventory Turnover Ratio | Cost of Goods Sold | Average Value of Inventory | 0.45 | 2.48 | 4.07 | 1.78 | 128.70% | -38.92% | -81.82% |
| f) | Trade Receivables Turnover Ratio | Net Credit Sales | Average Trade Receivable | 237.16 | 53.97 | 22.19 | 8.34 | 165.91% | 143.21% | 339.46% |
| g) | Trade Payables Turnover Ratio | Net Credit Purchase | Average Trade Payables | 247.16 | 1,920.26 | 25,364.31 | 507.44 | 4898.51% | -92.43% | -87.13% |
| h) | Net Working Capital Turnover Ratio | Revenue | Average Working Capital | 1.91 | 5.31 | 3.34 | 1.72 | 94.62% | 59.08% | -64.14% |
| i) | Net Profit Ratio (%) | Net Profits after Taxes | Revenue | 29.23% | 45.55% | 21.57% | 1.89% | 1040.50% | 111.19% | -35.84% |
| j) | Return on Capital Employed (%) | Earning before interest and taxes | Capital Employed | 11.61% | 93.61% | 32.94% | 3.10% | 963.61% | 184.18% | -87.60% |
| k) | Return on Investment (%) | Income Generated from Investments | Closing investment | 1.60% | 7.17% | 7.60% | -6.16% | -223.26% | -5.59% | -77.65% |

| Sr. No. | Ratio Variance > 25% | Reasons for variance (31.07.2023) | Reasons for variance (2022-23) | Reasons for variance (2021-22) |
|---------|------------------------------------|---|--|---|
| a) | Current Ratio | A significant decreased in current liabilities, particularly provision for taxation and decreased in current assets particularly in Investment, results in a variance in the current ratio of 31.22%. | A significant increase in current liabilities, particularly provision for taxation, compared to the proportional increase in current assets, results in a variance in the current ratio of 40.90%. | NA |
| b) | Debt-Equity Ratio | The company's decreasing D/E ratio is attributed to its higher growth in profit after tax (PAT) compared to the previous year and its ongoing debt repayment efforts. | The company's decreasing D/E ratio is attributed to its higher growth in profit after tax (PAT) compared to the previous year and its ongoing debt repayment efforts. | The company's decreasing D/E ratio is attributed to its higher growth in profit after tax (PAT) compared to the previous year and its ongoing debt repayment efforts. |
| c) | Debt Service Coverage Ratio | The said ratio has decreased from April to July'23 when compared with previous year as the EBITDA for the F.Y. 2022-23 has decreased in proportionate. | The said ratio has favourably increased when compared with previous year as the EBITDA for the F.Y. 2022-23 has increased. | The said ratio has favourably increased when compared with previous year as the EBITDA for the F.Y. 2021-22 has increased. |
| d) | Return on Equity Ratio | Net Profits after Taxes has decreased for the period from April'23 to July'23 when compared with previous year 2022-2023. | Net Profits after Taxes increased when compared with previous year. | Net Profits after Taxes increased when compared with previous year. |
| e) | Inventory Turnover Ratio | The observed variance in this ratio is a result of the proportionately higher increase in the value of closing inventory for the period from April'23 to July'23 in compared to previous year 2022-2023, the increase in Cost of Goods Sold (COGS). | The observed variance in this ratio is a result of the proportionately higher increase in the value of closing inventory compared to the increase in Cost of Goods Sold (COGS). | The observed variance in this ratio is a result of the proportionately higher increase in the value of closing inventory compared to the increase in Cost of Goods Sold (COGS). |
| f) | Trade Receivables Turnover Ratio | The trade receivables turnover ratio increases due to rise in sales of stock-in-trade. | The trade receivables turnover ratio increases due to rise in sales of stock-in-trade. | The trade receivables turnover ratio increases due to rise in sales of stock-in-trade. |
| g) | Trade Payables Turnover Ratio | The trade payables turnover ratio decreases due to rise in trade payables. | The trade payables turnover ratio decreases due to rise in trade payables. | The trade payables turnover ratio increases due to rise in purchase. |
| h) | Net Working Capital Turnover Ratio | Decreased in Net Capital Turnover Ratio ratio arises due to decreased in revenue for the period from April'23 to July'23 over previous year 2022-2023. | Favourable increase in Net Capital Turnover Ratio ratio arises due to increase in revenue over previous year. | Favourable increase in Net Capital Turnover Ratio ratio arises due to increase in revenue over previous year. |
| i) | Net Profit Ratio (%) | The decreased in Net Profit ratio is a result of lower net profits as decreased revenue for the period from April'23 to July'23 compared to the previous year 2022-2023. | The favorable increase in Net Profit ratio is a result of higher net profits growing proportionately more than revenue compared to the previous year. | The favorable increase in Net Profit ratio is a result of higher net profits growing proportionately more than revenue compared to the previous year. |
| j) | Return on Capital Employed (ROCE) | Decreased in ROCE ratio is observed due to decreased in net profits for the period from April'23 to July'23 in comparison to previous year 2022-2023. | Growth in ROCE ratio is observed due to growth in net profits. | Growth in ROCE ratio is observed due to growth in net profits. |
| k) | Return on Investment (%) | Invariable returns from the investment. | Invariable returns from the investment. | Invariable returns from the investment. |

GRETEX SHARE BROKING PRIVATE LIMITED
CIN: U65900MH2010PTC289361

Annexure-XXXXIX

Property, Plant and Equipment and intangible Assets

(Rs in Millions, unless otherwise stated)

| As on 31st July, 2023 | | | | | | | | | |
|----------------------------------|------------------------------|---------------------------------------|-----------------------------------|-----------------------------|----------------------------|------------------------------|-----------|------------------------------|------------------------------|
| PARTICULARS | GROSS BLOCK (AT COST) | | | DEPRECIATION | | | SALE/ADJ. | NET BLOCK | |
| | AS AT 01.04.2023 (Rs.) | ADDITION DURING PERIOD (Rs.) | TOTAL COST 31.07.2023 (Rs.) | UPTO 01.04.2023 (Rs.) | FOR THE PERIOD (Rs.) | TOTAL 31.07.2023 (Rs.) | | AS AT 31.07.2023 (Rs.) | AS AT 31.03.2023 (Rs.) |
| a) Property, Plant and Equipment | | | | | | | | | |
| 1) Building | 1,180.30 | - | 1,180.30 | - | - | - | - | 1,180.30 | 1,180.30 |
| 2) Furniture & Fixture | 97.98 | 0.02 | 98.01 | 0.14 | 0.35 | 0.49 | - | 97.52 | 97.85 |
| 3) Office Equipments | 5.08 | 1,276.61 | 1,281.69 | 0.13 | 269.31 | 269.44 | - | 1,012.25 | 4.95 |
| 4) Motor Car | 60.58 | - | 60.58 | - | 0.00 | 0.00 | - | 60.58 | 60.58 |
| 5) Computer & Printers | 6.38 | 11.33 | 17.71 | - | 0.85 | 0.85 | - | 16.87 | 6.38 |
| | 1,350.33 | 1,287.96 | 2,638.29 | 0.26 | 270.52 | 270.78 | - | 2,367.52 | 1,350.07 |
| b) Intangible Assets | - | - | - | - | - | - | - | - | - |
| Total (a+b) | 1,350.33 | 1,287.96 | 2,638.29 | 0.26 | 270.52 | 270.78 | - | 2,367.52 | 1,350.07 |
| Previous Year Figures | 1.54 | 1,365.07 | 1,366.61 | 0.26 | 16.02 | 16.28 | - | 1,350.33 | 1.28 |

| As on 31st March, 2023 | | | | | | | | | |
|----------------------------------|------------------------------|---------------------------------------|-----------------------------------|-----------------------------|----------------------------|------------------------------|-----------|------------------------------|------------------------------|
| PARTICULARS | GROSS BLOCK (AT COST) | | | DEPRECIATION | | | SALE/ADJ. | NET BLOCK | |
| | AS AT 01.04.2022 (Rs.) | ADDITION DURING PERIOD (Rs.) | TOTAL COST 31.03.2023 (Rs.) | UPTO 01.04.2022 (Rs.) | FOR THE PERIOD (Rs.) | TOTAL 31.03.2023 (Rs.) | | AS AT 31.03.2023 (Rs.) | AS AT 31.03.2022 (Rs.) |
| a) Property, Plant and Equipment | | | | | | | | | |
| 1) Building | - | 1,180.84 | 1,180.84 | - | 0.54 | 0.54 | - | 1,180.30 | - |
| 2) Furniture & Fixture | 0.53 | 105.24 | 105.77 | 0.14 | 7.65 | 7.79 | - | 97.98 | 0.39 |
| 3) Office Equipments | 1.02 | 4.86 | 5.88 | 0.13 | 0.67 | 0.80 | - | 5.08 | 0.89 |
| 4) Motor Car | - | 67.08 | 67.08 | - | 6.50 | 6.50 | - | 60.58 | - |
| 5) Computer & Printers | - | 7.04 | 7.04 | - | 0.66 | 0.66 | - | 6.38 | - |
| | 1.54 | 1,365.07 | 1,366.61 | 0.26 | 16.02 | 16.28 | - | 1,350.33 | 1.28 |
| b) Intangible Assets | - | - | - | - | - | - | - | - | - |
| Total (a+b) | 1.54 | 1,365.07 | 1,366.61 | 0.26 | 16.02 | 16.28 | - | 1,350.33 | 1.28 |

| | | | | | | | | | |
|-----------------------|------|------|------|------|------|------|---|------|------|
| Previous Year Figures | 0.76 | 0.78 | 1.54 | 0.10 | 0.16 | 0.26 | - | 1.28 | 0.67 |
|-----------------------|------|------|------|------|------|------|---|------|------|

| As on 31st March, 2021 | | | | | | | | | |
|------------------------|------------------------------|---------------------------------------|-----------------------------------|-----------------------------|----------------------------|------------------------------|-----------|------------------------------|------------------------------|
| PARTICULARS | GROSS BLOCK (AT COST) | | | DEPRECIATION | | | SALE/ADJ. | NET BLOCK | |
| | AS AT 31.03.2020 (Rs.) | ADDITION DURING PERIOD (Rs.) | TOTAL COST 31.03.2021 (Rs.) | UPTO 31.03.2020 (Rs.) | FOR THE PERIOD (Rs.) | TOTAL 31.03.2021 (Rs.) | | AS AT 31.03.2021 (Rs.) | AS AT 31.03.2020 (Rs.) |
| Computer | 3.47 | - | 3.47 | 3.47 | - | 3.47 | - | - | - |
| Celling Bracket | 0.02 | - | 0.02 | 0.00 | 0.00 | 0.00 | - | 0.02 | 0.02 |
| Projector | 0.46 | - | 0.46 | 0.03 | 0.05 | 0.07 | - | 0.39 | 0.43 |
| Projector Screen | 0.05 | - | 0.05 | 0.00 | 0.00 | 0.01 | - | 0.04 | 0.04 |
| Mobile | - | 0.24 | 0.24 | - | 0.01 | 0.01 | - | 0.22 | - |
| Total | 4.00 | 0.24 | 4.24 | 3.50 | 0.07 | 3.57 | - | 0.67 | 0.50 |

| | | | | | | | | | |
|-----------------------|------|------|------|------|------|------|---|------|---|
| Previous Year Figures | 3.47 | 0.53 | 4.00 | 3.47 | 0.03 | 3.50 | - | 0.50 | - |
|-----------------------|------|------|------|------|------|------|---|------|---|

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the years ended March 31, 2023, 2022, March 31, 2021, together with all the annexures, schedules and notes thereto (“**Financial Statements**”) are available at www.gretexbroking.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 this Draft Red Herring Prospectus; or (ii) red herring prospectus (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act 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 BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the 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:

(₹ in million except per share data or unless otherwise stated)

| Particulars | For the four months period ended July 31, 2023 | For the Year ended | | |
|---|--|--------------------|------------|------------|
| | | 2023 | 2022 | 2021 |
| Revenue from operations | 209.20 | 1,026.17 | 396.58 | 135.63 |
| Total Equity | 739.30 | 666.39 | 320.29 | 159.46 |
| EBITDA | 80.94 | 587.39 | 89.53 | 7.80 |
| Restated Profit for the year | 61.15 | 467.45 | 85.54 | 2.57 |
| Weighted average no. of equity shares for Basic & Diluted EPS | 494,77,800 | 494,77,800 | 494,77,800 | 494,77,800 |
| Basic & Diluted Earnings Per Share (EPS) | 1.24 | 9.45 | 1.73 | 0.05 |
| EBITDA Margins (%) | 38.69% | 57.24% | 22.58% | 5.75% |
| Return on Net worth (%) | 8.27% | 70.15% | 26.71% | 1.61% |
| Net Assets Value (NAV) per Share | 14.94 | 13.47 | 6.47 | 3.22 |

The ratios have been computed as under:

1. *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year (as adjusted for change in capital due to issue of bonus shares);*
2. *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year (as adjusted for change in capital due to issue of bonus shares);*
3. *Return on Net Worth (%) = Net Profit after tax, as restated for the end of the year/ period divided by Net worth as at the end of the year;*
4. *Net Asset Value per share = Net Worth at the end of the year divided by total number of equity shares outstanding at the end of year (as adjusted for change in capital due to issue of bonus shares and subdivision);*
5. *EBITDA: Aggregate of restated profit/(loss) before tax, interest cost, depreciation and amortization less other income;*
6. *EBITDA Margin= EBITDA divided by revenue from operation;*
7. *Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period;*
8. *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, and credit balance of the non-controlling interest after deducting the aggregate value of the accumulated losses, deferred*

expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation;

9. *The company issued 41231500 equity shares of Rs. 10/- each as bonus shares in the ratio of 5:1 (i.e. 5 (Five) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) vide EGM resolution passed on 11th July, 2023 and allotted on 13th July, 2023.*

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations, for the four month period ended July 31, 2023 and Fiscals ended 2023, 2022 and 2021, see “*Annexure XXXXI - Related Party Disclosures*” on page F-38, under the chapter titled “*Restated Consolidated Financial Statements*” of this DRHP.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at July 31, 2023, derived from our Restated Consolidated Financial Statements, and as adjusted for the Issue. This table should be read in conjunction with "Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", beginning on pages 203, 208 of this Draft Red Herring Prospectus.

(₹ in million)

| Particulars | Pre-Issue as at July 31, 2023 | Post Issue |
|---|----------------------------------|------------|
| Total Borrowings | | |
| Current Borrowings (including current maturities of non-current borrowings) (A) | - | [●] |
| Non-current Borrowings (B) | - | [●] |
| Total Borrowings (C) = (A)+(B) | - | [●] |
| Total Equity | | |
| Equity Share Capital (D) | 494.78 | [●] |
| Reserve and Surplus (E) | 244.53 | [●] |
| Total Equity (F)= (D)+(E) | 739.31 | [●] |
| Total Borrowings/ Total Equity (C)/(F) | - | [●] |
| Non-Current Borrowing/Total Equity (B)/(F) | - | [●] |

Notes:

1. The amounts disclosed above are derived from Restated Consolidated Financial Statements of our Company.
2. The corresponding post-Issue capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

FINANCIAL INDEBTEDNESS

As on the date of this Draft Red Herring Prospectus, the Company does not have any outstanding or sanctioned fund-based facilities. For details of the borrowing powers of the Board, please see “Our Management- Borrowing Powers” on page 176.

MANAGEMENT'S DISCUSSIONS AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Consolidated Financial Statements which have been included in this Draft Red Herring Prospectus. Unless otherwise indicated, the following discussion and analysis of our financial position and results of operations is based on our Restated Consolidated Financial Statements for the four months period ended July 31, 2023 and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Consolidated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with IFRS, Companies Act, SEBI Regulations and other relevant accounting practices in India.

The audited special purpose Ind AS Consolidated Financial Statements of the Company for the four months period ended July 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on December 7, 2023 and the audited financial statements as at and for the year ended March 31, 2022 were prepared in accordance with Indian GAAP and the same have been converted into Ind AS by our management to align accounting policies, exemptions and disclosures as adopted by our Company for the transition to Ind AS special purpose audited financial statements.

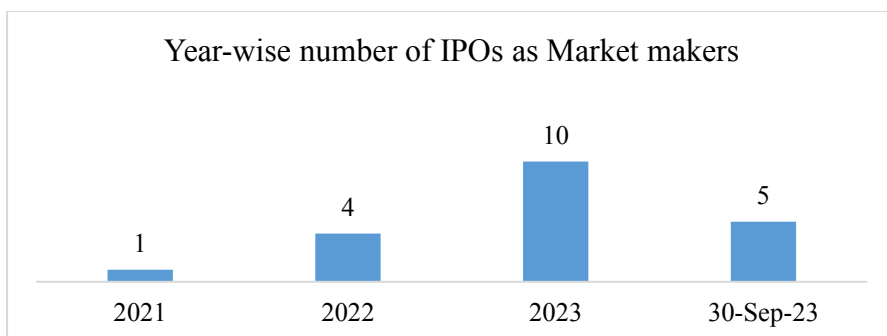
This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Our Business", "Risk Factors" and "Forward-Looking Statements" beginning on pages 151, 35 and 22, respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

BUSINESS OVERVIEW

Our Company is engaged in the business of Market Making and Stock Broking, Underwriting Capital Market Issuances and depository participant of NSDL.

As Market Makers our Company facilitates the issuer companies viz. companies that list their securities on the Stock Exchanges with buying and selling of their securities, post initial public offers. Our Company has obtained the registration as Market Maker with BSE in the year 2012 and with NSE in the year 2023. With an existence of over a decade, as on September 30, 2023, our Company has executed mandates as market makers with 31 companies that got listed on the stock exchange. Our Company also has a signed MOU with one of our Promoters namely Gretex Corporate Services Limited, a SEBI registered category-I Merchant Banker, to be the market makers for upcoming 28 SME IPOs. In SME segment, our Company creates liquidity in the market as Market Marker by way of two way quotes during trading hours. Market Making activities are fund based as well as fee based i.e. our Company earns a fixed fee for the market making services from corporates which includes one time fees as well as yearly fees and further our Company strives to earn spread and other trading revenues from the same in the secondary market transactions.



Our Company is also registered with the SEBI as a Stock Broker since its incorporation in 2010. Our clientele includes institutional clients along with retail investors. To be eligible to offer broking services to the institutions, a broker has to be empanelled with an institution. Our Company is empanelled with 3 institutions as on September 30, 2023. The institutional brokerage operations are managed by our employees. The Company presently is engaged in Equity, Currency derivative and Future & Options segment of National Stock Exchange of India Limited and BSE Limited along with making proprietary investments in various tradable securities. Looking into the opportunities in the depository and participant business our Company forayed into the depositories business as well and obtained the registration with SEBI as Depository Participant in the year 2022.

Our Company is promoted by our Corporate Promoter, Gretex Corporate Services Limited, a SEBI registered category-I Merchant Banker. Our Company has a diversified Board with 4 Independent Directors, 1 Managing Director, 1 Joint Managing Director, 1 Whole-time Director and Key Managerial Personnel, which is supplemented by a senior management team with experience in the capital market. As of September 30, 2023, our Company had a workforce of 22 personnel. Our Company is led by the Chairman and Joint Managing Director of the Company, Mr. Alok Harlalka since last 13 years and also led by the Managing Director of the Company, Mr. Arvind Harlalka, since last 7 years, who is also a qualified Fellow Company Secretary.

Significant developments appearing after July 31, 2023

- a. The Company converted from Private Limited to Public Limited vide certificate of incorporation consequent upon conversion to Public Limited Company dated September 4, 2023 issued by Registrar of Companies, Mumbai, being Corporate Identification Number U65900MH2010PLC289361.
- b. The Company has given its Investment property on rental basis to Gretex Industries Limited to use the said property for business purpose vide resolution passed at EOGM dated September 09, 2023, the company decided to sell the said premises to Gretex Industries Limited.

Property Address: Lower Ground Floor, Ground Floor and First Floor, A wing, Western Express Zone, Goregaon East, Mumbai, Maharashtra – 400097.

- c. The Company vide its resolution passed at EOGM dated September 09, 2023, decided to sell 730400 Equity shares of investment in its associate company i.e. M/s. Sunview Nirman Private Limited to Gretex Industries Limited for a consideration of ₹7,23,09,600/- (Seven Crore Twenty-three Lacs Nine Thousand Six Hundred only).
- d. The Company has received approval from BSE vide its letter Ref. no. MOD/SHP/2023/180701 dated July 18, 2023 regarding Change in Shareholding Pattern of the Company. According to the said approval M/s. Gretex Corporate Limited is proposed to buy 16602060 equity shares of our company from Sankhu Merchandise Private Limited and Bonanza Agency LLP of 9400200 equity shares and 7201860 shares respectively.

Principal factors affecting our financial condition and results of operation

Our business, financial performance and results of operations are affected by numerous factors including the following:

- Volatility in market;
- Outbreak of Covid-19;
- Changes in laws, rules & regulations and legal uncertainties;
- Pricing pressures from the competitive business environment;

- Economic and Demographic condition.

Significant Accounting Policies

For further details, see “*Restated Consolidated Financial Statements – Annexure IV – SIGNIFICANT ACCOUNTING POLICIES & EXPLANATORY NOTES ON FINANCIAL STATEMENTS*” on page F-9 of this Draft Red Herring Prospectus.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of revenue from sale shares and securities, Market making fees and sale of services which include Service Charges Received, Client Accounting Charges, Brokerage, Dividend, Intraday trading gain, Outdoor Branding.

Other Income: Our other income comprises of Profit on Sale of Unlisted Investments, Interest on Loan, Interest on FD, Other Interest Income on Deposit, Interest on Income Tax Refund, Rental Income, Discount Received, Balances W/off and Other Non-Operating Income (Misc).

Total Expenses

Our expenses comprise of purchase of stock-in-trade, change in inventories of stock-in-trade, employee benefits expense, finance costs, depreciation & amortisation expenses and other expenses.

Purchase of stock-in-trade: Purchase of stock-in-trade primarily consists of Purchases of Shares & Securities.

Changes in Inventories of stock-in-trade: Changes in inventories of stock-in-trade consist of changes in our Shares & Securities (Stock-in-trade) as at the beginning and end of the year.

Employee benefit expense: Our employee benefit expenses include salaries and wages, contribution to provident fund, ESI, Staff welfare and gratuity expenses.

Finance costs: Our finance costs comprise of Interest paid on loan from Bank & Financial Institution and Interest paid on loan from Others.

Depreciation & Amortisation expenses: Depreciation & amortisation expenses comprise of depreciation on tangible fixed assets, investment property and amortisation of intangible assets.

Other expenses: Our other expenses majorly consist of expenses towards business promotion, commission, administrative expenses repair and maintenance building, audit fees, printing and stationary, advertisement, filing fee, telephone, traveling, professional charges, office rent, office expenses, postage and courier, computer, BSE/NSE Licence Expense, insurance, legal, CSR and among others.

Our Results of Operations

The following table sets forth select financial data with respect to our results of operation for the four months period ended July 31, 2023 and financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 the components of which are also expressed as a percentage of total revenue for such periods:

(₹ in million)

| Particulars | For the four months period ended July 31, 2023 | | For the Financial Year ended March 31, 2023 | | For the Financial Year ended March 31, 2022 | | For the Financial Year ended March 31, 2021 | |
|--|--|--------------|---|--------------|---|--------------|---|--------------|
| | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue |
| INCOME | | | | | | | | |
| Revenue from operations (net) | 209.20 | 96.84% | 1,026.17 | 96.39% | 396.58 | 96.13% | 135.63 | 102.15% |
| Other income | 6.82 | 3.16% | 38.47 | 3.61% | 15.99 | 3.87% | (2.85) | (2.15%) |
| Total Income | 216.02 | 100.00% | 1,064.64 | 100.00% | 412.57 | 100.00% | 132.78 | 100.00% |
| EXPENSES | | | | | | | | |
| Purchases of stock-in-trade | 123.81 | 57.31% | 497.26 | 46.71% | 269.18 | 65.24% | 140.58 | 105.88% |
| Changes in inventories of finished goods, work-in-process and Stock-in-Trade | (21.78) | (10.08%) | (152.99) | (14.37%) | 15.98 | 3.87% | (15.29) | (11.52%) |
| Employee benefits expense | 9.80 | 4.54% | 44.72 | 4.20% | 2.87 | 0.69% | 2.02 | 1.52% |
| Finance costs | - | 0.00% | 1.18 | 0.11% | 1.59 | 0.39% | 1.91 | 1.44% |
| Depreciation and amortization expense | 1.95 | 0.91% | 2.08 | 0.20% | 0.02 | 0.00% | 0.01 | 0.00% |
| Other expenses | 11.07 | 5.12% | 47.64 | 4.47% | 19.02 | 4.61% | 0.51 | 0.39% |
| Total Expenses | 124.85 | 57.79% | 439.89 | 41.32% | 308.66 | 74.81% | 129.74 | 97.71% |
| Profit before exceptional items and tax | 91.17 | 42.21% | 624.75 | 58.68% | 103.91 | 25.19% | 3.04 | 2.29% |
| Exceptional Items | 5.37 | 2.49% | 4.84 | 0.45% | - | 0.00% | - | 0.00% |
| Share of Profit/(Loss) of Associates: | 0.00 | 0.00% | 2.69 | 0.25% | - | 0.00% | - | 0.00% |
| Profit before tax | 85.81 | 39.72% | 622.61 | 58.48% | 103.91 | 25.19% | 3.04 | 2.29% |
| Tax expense: | | | | | | | | |
| Current tax | 23.77 | 11.01% | 153.82 | 14.45% | 18.37 | 4.45% | 0.47 | 0.36% |
| Deferred tax | 0.89 | 0.41% | 1.34 | 0.13% | 0.00 | 0.00% | 0.00 | 0.00% |
| Profit for the year | 61.15 | 28.31% | 467.45 | 43.91% | 85.54 | 20.73% | 2.57 | 1.93% |

* (%) column represents percentage of total revenue.

Review of results of operations for the four months period ended July 31, 2023

Total Income

Our total income was ₹ 216.02 million for the four month period ended July 31, 2023 comprising of revenue from operations and other income.

Revenue from operations: Our revenue from operations was ₹ 209.20 million during the four months period ended July 31, 2023 primarily comprising of revenue from sale of shares and securities ₹ 206.62 million, service charges received ₹ 2.06 million, Brokerage ₹ 0.08 million, Dividend ₹ 0.01 million, Intraday trading gain ₹ 0.43 million and .

Other income: Our other income were ₹ 6.82 million for the four month period ended July 31, 2023 primarily comprising of interest income on deposit ₹ 0.37 million, rental income of ₹ 1.60 million, profit on sale of investments of ₹ 3.77 million and other non-operating income of ₹ 1.08 million.

Total Expenses

Our Total Expenses for the four month period ended July 31, 2023 were ₹ 124.85 million which primarily consists of Purchase of Stock-in-trade of ₹ 123.81 million, changes in inventories of stock -in-trade of ₹ 21.78 million, employee benefits expenses of ₹ 9.80 million, depreciation and amortization expenses of ₹ 1.95 million and other expenses of ₹ 11.07 million.

Result of Operations for the Financial Year 2022-23 compared with Financial Year 2021-22

| <i>(₹ in millions)</i> | | | |
|--|---|---|----------------|
| Particulars | For the Financial year ended March 31, 2023 | For the Financial year ended March 31, 2022 | % Change |
| Revenue From Operations | 1,026.17 | 396.58 | 158.75% |
| Other Income | 38.47 | 15.99 | 140.69% |
| Total Income | 1,064.64 | 412.57 | 158.05% |
| EXPENSES | | | |
| Cost of materials consumed | - | - | |
| Purchases of Stock - in - Trade | 497.26 | 269.18 | 84.73% |
| Changes in inventories of finished goods, stock -in-trade and work-in-Progress | (152.99) | 15.98 | -1057.60% |
| Employee benefits expenses | 44.72 | 2.87 | 1460.58% |
| Finance costs | 1.18 | 1.59 | -25.92% |
| Depreciation and amortization expenses | 2.08 | 0.02 | 12547.95% |
| Other Expenses | 47.64 | 19.02 | 150.52% |
| Total Expenses | 439.89 | 308.66 | 42.52% |
| Profit Before Tax | 622.61 | 103.91 | 499.17% |
| Tax expense | | | |
| Current Tax | 153.82 | 18.37 | 737.31% |
| Earlier Year Tax Adjustments | - | - | |
| Deferred Tax | 1.34 | 0.00 | 66602.47% |
| Profit/ (Loss) after tax for the period | 467.45 | 85.54 | 446.48% |

Total Income

Our total income increased by 158.05% to ₹ 1,064.64 million for the financial year 2022-23 from ₹ 412.57 million for the financial year 2021-22 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 158.75% to ₹ 1,026.17 million for the financial year 2022-23 from ₹ 396.58 million for the financial year 2021-22 mainly due to increase in sales of share & securities by ₹ 570.10 million, Market making fees by ₹ 47.10 million, service charge by ₹ 12.40 million.

Other income: Our other income increased by 140.69% to ₹ 38.47 million for the financial year 2022-23 from ₹ 15.99 million for the financial year 2021-22 mainly due to increase in interest on loan by ₹ 8.68 million, Profit on sale of investments by ₹ 11.90 million.

Total Expenses

In line with increase in our total revenue, total expenses also increased by 42.52% to ₹ 439.89 million for the financial year 2022-23 from ₹ 308.66 million for the financial year 2021-22, due to the factors described below:

Purchases of Stock - in - Trade: Purchases of Stock - in - Trade for the financial year 2022-23 was ₹ 497.26 million which has increased by 84.73% as compared to ₹ 269.18 million in financial year 2021-22 .The increase was on account of increase in purchase of shares & securities.

Changes in inventories of finished goods, stock -in-trade and work-in-Progress : Our Changes in inventories of stock -in-trade decreased to ₹ (152.99) million in the financial year 2022-23 from ₹ 15.98 million in the financial year 2021-22 . This was primarily due to higher level of closing stock at end of financial year 2022-23 compared to financial year 2021-22.

Employee benefits expenses: Our employee benefit expenses increased by 1,460.58% to ₹ 44.72 million for the financial year 2022-23 from ₹ 2.87 million for the financial year 2021-22 . The increase was mainly on account of increase in salaries & wages by ₹ 40.54 million, ESI expenses by ₹ 0.02 million, PF expenses by ₹ 0.06 million, Staff welfare expenses by ₹ 0.03 million, Gratuity expenses by ₹ 1.20 million.

Finance costs: Our finance costs decrease by 25.92% to ₹ 1.18 million for the financial year 2022-23 from ₹ 1.59 million for the financial year 2021-22.

Depreciation & Amortization expense: Our depreciation & amortization expense increased by ₹ 2.06 million to ₹ 2.08 million for the financial year 2022-23 from ₹ 0.02 million for the financial year 2021-22. Net addition to depreciable gross block was ₹ 136.51 million in the financial year 2022-23 and ₹ 0.08 million in the financial year 2021-22.

Other expenses: Our other expenses increased by 150.52% to ₹ 47.64 million for the financial year 2022-23 from ₹ 19.02 million for the financial year 2021-22. The increase was mainly on account of business promotion expenses by ₹ 16.89 million, administrative charges by ₹ 6.04 million, rent by ₹ 6.51 million, STT expenses by ₹ 1.60 million, Stock exchange expenses by ₹ 1.18 million and CSR provision by ₹ 2.90 million among others. However, the increase was partially offset by decrease in, commission expenses by ₹ 4.98 million, Loss From sale of Investment by ₹ 3.97 million, Professional charges by ₹ 2.53 million, Car rent by ₹ 0.28 million, among others.

Profit before tax: Our profit before tax increased by ₹ 518.70 million to ₹ 622.61 million for the financial year 2022-23 from ₹ 103.91 million for the financial year 2021-22. The increase in profit was on account of increase in business activities. Our profit before tax as a % of total income was 58.48% for the financial year 2022-23 as against 25.19% for the financial year 2021-22.

Tax expenses: Our tax expenses increase by 744.50% to ₹ 155.16 million for the financial year 2022-23 from ₹ 18.37 million for the financial year 2021-22 mainly due to the increase in our current tax expense by ₹ 135.45 million in the financial year 2022-23 over the financial year 2021-22 .

Profit after tax: Led by margin improvement and cost rationalisation measures as explained above, our profit after tax increased by 446.48% to ₹ 467.45 million for the financial year 2022-23 from ₹ 85.54 million for the financial year 2021-22 .

Result of Operations for the Financial Year 2021-22 compared with Financial Year 2020-21

(₹ in millions)

| Particulars | For the Financial year ended March 31, 2022 | For the Financial year ended March 31, 2021 | % Change |
|--|---|---|----------------|
| Revenue From Operations | 396.58 | 135.63 | 192.40% |
| Other Income | 15.99 | -2.85 | -659.90% |
| Total Income | 412.57 | 132.78 | 210.73% |
| EXPENSES | | | |
| Cost of materials consumed | - | | |
| Purchases of Stock - in - Trade | 269.18 | 140.58 | 91.47% |
| Changes in inventories of finished goods, stock -in-trade and work-in-Progress | 15.98 | -15.29 | -204.49% |

| | | | |
|--|---------------|---------------|-----------------|
| Employee benefits expenses | 2.87 | 2.02 | 41.85% |
| Finance costs | 1.59 | 1.91 | -16.47% |
| Depreciation and amortization expenses | 0.02 | 0.01 | 147.33% |
| Other Expenses | 19.02 | 0.51 | 3604.50% |
| Total Expenses | 308.66 | 129.74 | 137.90% |
| Profit Before Tax | 103.91 | 3.04 | 3323.78% |
| Tax expense | | | |
| Current Tax | 18.37 | 0.47 | 3776.06% |
| Earlier Year Tax Adjustments | | - | |
| Deferred Tax | 0.00 | 0.00 | 4545.03% |
| Profit/ (Loss) after tax for the period | 85.54 | 2.57 | 3234.85% |

Total Income

Our total income increased by 210.73% to ₹ 412.57 million for the financial year 2021-22 from ₹ 132.78 million for the financial year 2020-21 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 192.40% to ₹ 396.58 million for the financial year 2021-22 from ₹ 135.63 million for the financial year 2020-21 mainly due to increase in sales of share & securities by ₹ 242.10 million, marke making fees by ₹ 19.13 million. However, the increase was partially offset by decrease in Dividend by ₹ 0.25 million, Brokerage by ₹ 0.03 million.

Other income: Our other income increased by 659.90% to ₹ 15.99 million for the financial year 2021-22 from ₹ (2.85) million for the financial year 2020-21 mainly because of increase in profit on sale of investments by ₹ 16.84 million and Interest on loan by ₹ 1.85 million in the financial year 2021-22 as compared to financial year 2020-21. However, the increase was partially offset by decrease in, interest on income tax refund by ₹ 0.01 million, Balances W/off by ₹ 0.03 million and other non-operating income (misc) by ₹ 0.03 million.

Total Expenses

Our total expenses increased by 137.90% to ₹ 308.66 million for the financial year 2021-22 from ₹ 129.74 million for the financial year 2020-21, due to the factors described below:

Purchases of Stock - in - Trade: Purchases of Stock - in - Trade for the financial year 2021-22 was ₹ 269.18 million which has increased by 91.47% as compared to ₹ 140.58 million in financial year 2020-21 .The increase was on account of increase in purchase of shares & securities.

Changes in inventories of finished goods, stock -in-trade and work-in-Progress : Our Changes in inventories of stock -in-trade changed to ₹ 15.98 million in the financial year 2021-22 from ₹ (15.29) million in the financial year 2020-21 . This was primarily due to lower level of closing stock at end of financial year 2021-22 compared to financial year 2020-21

Employee benefits expenses: Our employee benefit expenses increased by 41.85% to ₹ 2.87 million for the financial year 2021-22 from ₹ 2.02 million for the financial year 2020-21. The increase was mainly on account of increase in salaries & wages by ₹ 0.77 million, ESI expenses by ₹ 0.03 million, PF expenses by ₹ 0.05 million.

Finance costs: Our finance costs decrease by 16.47% to ₹ 1.59 million for the financial year 2021-22 from ₹ 1.91 million for the financial year 2020-21. Decrease in our finance cost was primarily due to reduction in borrowings availed by our company.

Depreciation & amortization expense: Our depreciation & amortization expense increased by 147.33% to ₹ 0.02 million for the financial year 2021-22 from ₹ 0.01 million for the financial year 2020-21 . The increase was on account of net addition to gross block of ₹ 0.08 million in the financial year 2021-22 as compared to ₹ 0.02 million in the financial year 2020-21.

Other expenses: Our other expenses increased by ₹ 18.51 to ₹ 19.02 million for the financial year 2021-22 from ₹ 0.51 million for the financial year 2020-21. The increase was mainly on account of increase in Business Promotion Expenses by ₹ 2.26 million, Commission Expenses by ₹ 5.58 million, professional charges by ₹ 5.83 million, Loss from sale of Investment by ₹ 3.97 million, among others. However, the increase was partially offset by decrease in Annual Membership & Subscription Fees by ₹ 0.10 million, STT Expenses by ₹ 0.03 million, Software Expenses by ₹ 0.03 million, Auction Charges by ₹ 0.06 million, Car Expenses by ₹ 0.04 million, among others.

Profit before tax: Our profit before tax increased by ₹ 100.87 million to ₹ 103.91 million for the financial year 2021-22 from ₹ 3.04 million for the financial year 2020-21. The increase in profit was on account of increase in business activities. Our profit before tax as a % of total income was 25.19% for the financial year 2022-23 as against 2.29% for the financial year 2021-22.

Tax expenses: Our tax expenses increased by ₹ 17.90 million to ₹ 18.37 million for the financial year 2021-22 from ₹ 0.47 million for the financial year 2020-21 mainly due to increase in current tax expense by ₹ 17.90 million for the financial year 2021-22 compared to financial year 2020-21.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by ₹ 82.97 million to ₹ 85.54 million for the financial year 2021-22 from ₹ 2.57 million for the financial year 2020-21.

Cash Flow

The table below summaries our cash flows from our Restated Consolidated Financial Statements for the financial years 2023, 2022 and 2021:

| Particulars | For the four month period ended July 31, 2023 | For year ended March 31, | | |
|--|---|--------------------------|---------|---------|
| | | 2023 | 2022 | 2021 |
| Net cash flow generated from/ (utilized in) operating activities (A) | (42.00) | 398.21 | 94.08 | 20.26 |
| Net cash flow utilized in investing activities (B) | 38.32 | (433.10) | (35.74) | 30.00 |
| Net cash flow generated from/ (utilized in) financing activities (C) | (24.20) | 23.11 | (4.43) | (48.82) |
| Net (decrease)/ increase in cash & cash equivalents (A+B+C) | (27.88) | (11.78) | 53.91 | 1.44 |
| Cash and cash equivalents at the beginning of the period/ year | 44.20 | 55.98 | 2.07 | 0.63 |
| Cash and cash equivalents at the end of the period/ year | 16.32 | 44.20 | 55.98 | 2.07 |

Operating Activities

For the Four Month period ended July 31, 2023

Our net cash utilized in operating activities was ₹ 42.00 million for the four month period ended July 31, 2023. Our operating profit before working capital changes for the four month period ended July 31, 2023 was ₹ 89.41 million which was primarily adjusted by increase in other current financial assets by ₹ 53.19 million, increase in inventories by ₹ 21.79 million, increase in other current assets by ₹ 2.55 million, decrease in other current liabilities by ₹ 22.61 million, decrease in trade receivables by ₹ 0.72 million and decrease in current loans by ₹ 8.36 million and. payment of income tax of ₹ 40.35 million.

Financial year 2022-23

Our net cash generated from operating activities was ₹ 398.21 million for the financial year 2022-23. Our operating profit before working capital changes was ₹ 592.23 million for the financial year 2022-23 which was primarily adjusted by increase in inventories by ₹ 152.99 million, decrease in trade receivables by ₹ 32.57 million, increase in current loans by ₹ 13.57 million, decrease in other current financial assets by ₹ 1.21 million, decrease in other current assets by ₹ 0.87 million, increase in trade payables by ₹ 0.48 million, increase in other current liabilities by ₹ 12.65 million and payment of income tax of ₹ 75.24 million.

Financial year 2021-22

Our net cash generated from operating activities was ₹ 94.08 million for the financial year 2021-22. Our operating profit before working capital changes was ₹ 102.79 million for the financial year 2021-22 which was primarily adjusted by decrease in inventories by ₹ 15.98 million, increase in trade receivables by ₹ 33.79 million, decrease in current loans by ₹ 12.84 million, increase in other current financial assets by ₹ 4.84 million, increase in other current assets by ₹ 1.23 million, increase in trade payables by ₹ 0.01 million, increase in other current liabilities by ₹ 4.92 million and payment of income tax of ₹ 2.60 million.

Financial year 2020-21

Our net cash generated from operating activities was ₹ 20.26 million for the financial year 2020-21. Our operating profit before working capital changes was ₹ 4.29 million for the financial year 2021-22 which was primarily

adjusted by increase in inventories by ₹ 15.29 million, decrease in trade receivables by ₹ 31.84 million, increase in current loans by ₹ 12.28 million, increase in other current financial assets by ₹ 3.87 million, decrease in other current assets by ₹ 0.44 million, decrease in trade payables by ₹ 0.55 million, increase in other current liabilities by ₹ 15.94 million and payment of income tax of ₹ 0.26 million.

Investing Activities

For the Four Month period ended July 31, 2023

Net cash generated from investing activities was ₹ 38.32 million for the four month period ended July 31, 2023. This was primarily on account of sale of current investments to ₹ 72.04 million, increase in non-current loans to ₹ 16.04 million and decrease in other non-current financial assets to ₹ 16.95 million, interest income of ₹ 0.37 million, rental income of ₹ 1.60 million and Profit on Sale of Investments ₹ 3.77 million which was partially offset by purchase of Property, Plant & Equipment and Intangible assets to ₹ 6.21 million, purchase of Non-Current Investments to ₹ 34.16 million,.

Financial year 2022-23

Net cash used in investing activities was ₹ 433.10 million for the financial year 2022-23. This was primarily on account of purchase of Property, Plant & Equipment and Intangible assets to ₹ 136.51 million, purchase of Investment Property to ₹ 101.86 million, purchase of Non-Current Investments to ₹ 113.93 million, purchase of current investments to ₹ 82.46 million, increase in non-current loans to ₹ 6.33 million, increase in goodwill to ₹ 15.59 million and increase in other non-current financial assets to ₹ 13.40 million which was partially offset by interest income of ₹ 11.64 million, rental income of ₹ 0.20 million and Profit on Sale of Investments ₹ 25.14 million.

Financial year 2021-22

Net cash used in investing activities was ₹ 35.74 million for the financial year 2021-22. This was primarily on account of purchase of Property, Plant & Equipment and Intangible assets to ₹ 0.08 million, purchase of Non-Current Investments to ₹ 40.75 million, decrease in goodwill to ₹ 5.91 million and increase in other non-current financial assets to ₹ 3.55 million which was partially offset by interest income of ₹ 2.73 million.

Financial year 2020-21

Net cash generated from investing activities was ₹ 30.00 million for the financial year 2020-21. This was primarily on account of sale of Non-Current Investments to ₹ 29.73 million, interest income of ₹ 0.67 million which was partially offset by purchase of Property, Plant & Equipment and Intangible assets to ₹ 0.02 million, and change in Bank balances other than cash & cash equivalent to ₹ 0.38 million.

Financing Activities

For the Four Months period ended July 31, 2023

Net cash used in financing activities for the four months period ended July 31, 2023 was ₹ 24.20 million. This was primarily on account of decrease in short term borrowings of ₹ 5.88 million, IPO related expense of ₹ 8.32 million and decrease in other non-current financial liabilities of ₹ 10.00 million.

Financial year 2022-23

Net cash generated from financing activities for the financial year 2022-23 was ₹ 23.11 million. This was primarily on increase in short term borrowings of ₹ 4.29 million, increase in other non-current financial liabilities of ₹ 20.00 million and account of interest paid of ₹ 1.18 million.

Financial year 2021-22

Net cash used in financing activities for the financial year 2021-22 was ₹ 4.43 million. This was primarily on account of interest paid of ₹ 1.59 million, repayment of short term borrowings of ₹ 2.78 million and decrease in non-controlling interest of ₹ 0.06 million.

Financial year 2020-21

Net cash used in financing activities for the financial year 2020-21 was ₹ 48.82 million. This was primarily on account of interest paid of ₹ 1.91 million, repayment of short term borrowings of ₹ 46.94 million and increase in non-controlling interest of ₹ 0.03 million.

Financial Indebtedness

As on July 31, 2023 there are no outstanding borrowings in our Company. For further details, refer chapter titled “Financial Indebtedness” beginning on page 207 of this Draft Red Herring Prospectus.

Related Party Transactions

Related party transactions with our promoters, certain of our directors their entities and relatives primarily relates to remuneration payable, interest paid, purchase & sale of goods, loans & deposits taken & paid, advance to suppliers and Issue of Equity Shares. For further details of such related parties under Ind AS 24, refer chapter titled “Annexure XXXXI - Related Party Disclosures” on page F-38, under the chapter titled “Restated Consolidated Financial Statements” of this DRHP.

Contingent Liabilities

There were no contingent liabilities as at July 31, 2023 as per the Restated Consolidated Financial Statements.

For further details, refer chapter titled “Restated Consolidated Financial Statements” beginning on page 55 of this Draft Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “Restated Consolidated Financial Statements” beginning on page 55 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “Restated Consolidated Financial Statements” beginning on page 55 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures & interest thereon or repayment of deposits & interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our Statutory Auditor, committed against our Company, in the last three Fiscals and four months period ending on July 31, 2023.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled "Risk Factors" beginning on page 35 of this Draft Red Herring Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled "Risk Factors" beginning on page 35 of this Draft Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in stock-in-trade or Prices that will Cause a Material Change are known

Other than as described in chapter titled "Risk Factors" beginning on page 35 of this Draft Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales, Introduction of New Services.

Changes in revenue in the last three financial years are as explained in the part "Financial Year 2022-23 compared with financial year 2021-22 and Financial Year 2021-22 Compared with Financial Year 2020-21" above.

Total turnover of each major industry segment in which the issuer operates

Our Company works under single reportable Industry segment.

Competitive Conditions

Competitive conditions are as described under the Chapters "Industry Overview" and "Our Business" beginning on page 106 and 151 respectively of the Draft Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in the chapter titled "Risk Factors" beginning on page 35 of this Draft Red Herring Prospectus.

Status of any publicly announced new products or business segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Our revenue is not dependent on a single or a few customers.

Seasonality of Business

The nature of our business is not seasonal.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation as determined to be material by the Board of Directors of the Company as per the Materiality Policy (as defined below) in each case involving the Company, the Promoters, the Directors and/or the Subsidiary (“**Relevant Parties**”); or (v) any litigations involving the Group Companies which have a material impact on the business operations, prospects or reputation of the Company. There are no disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, its Promoters or its Directors in the last five financial years, including any outstanding action.*

*The Board of Directors of the Company, in its meeting held on September 5, 2023 determined that outstanding legal proceedings involving the Relevant Parties and the Group Companies will be considered as material (“**Materiality Policy**”) if the aggregate amount involved exceeds 1% of the profit after tax of the Company in the most recently completed year as per the Restated Consolidated Financial Statements disclosed in the Draft Red Herring Prospectus, or such outstanding litigations or arbitrations where monetary liability is not quantifiable, or which does not fulfil the threshold mentioned above, but whose outcome could have a material adverse effect on the business, operations, prospects, financial position or reputation of the Company. It is clarified that pre-litigation notices received by the Relevant Parties, unless otherwise decided by the Board of Directors of the Company, shall not be evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in the litigation proceedings before any judicial forum.*

Except as stated in this section, there are no outstanding material dues to creditors of the Company. For this purpose, the Board of Directors of the Company has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated September 5, 2023. In terms of the materiality policy, creditors of the Company to whom amounts outstanding dues to any creditor of the Company exceeding 5% of the revenue of the Company as per the Restated Consolidated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. 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 webpage of the Company as required under the SEBI ICDR Regulations.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

LITIGATIONS INVOLVING THE COMPANY

A. LITIGATION FILED AGAINST THE COMPANY

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY THE COMPANY

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

1. Other Pending Litigations

NIL

LITIGATIONS INVOLVING THE PROMOTERS

A. LITIGATION FILED AGAINST THE PROMOTERS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATIONS FILED BY THE PROMOTERS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATIONS INVOLVING DIRECTORS

A. LITIGATION FILED AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

Ejectment Suit No. 8 of 2019 filed by Amiya Chorone Roquitte (“Plaintiff”) against Alok Harlalka (“Defendant”) before the Hon’ble City Civil Court at Calcutta

The Plaintiff filed an Ejectment Suit No. 8 of 2019 (“**Suit**”) dated March 13, 2019 before the City Civil Court at Calcutta (“**Hon’ble Court**”). The Plaintiff is the owner of the Premises no. 19B, Bipin Behari Ganguly Street, P.S. – Bowbazar, Kolkatta – 700 012 (“**Premises**”) of which the Defendant is a monthly tenant, paying a rent of Rs.1,609/-. The Plaintiff in the said Suit has alleged the Defendant of committing default in making payment of rent since February, 2003. Additionally, the Plaintiff has alleged the Defendant of making substantial additions, alterations and renovations to the said Premises by constructing and/or erecting a mezzanine floor inside the Premises and of sub-letting, transferring and/or parting with the possession or various parts of the Premises to different sub-tenants viz. (i) Gretex Corporate Services Limited, (ii) Sankhu Entertainment & Production Pvt. Ltd., (iii) ASP Infinity Solutions Pvt. Ltd., (iv) Dynamic Trading Co., (v) A Harlalka and Associates, without obtaining the written consent of the Plaintiff, the damaged being assessed at Rs. 45,00,000/-. Aggrieved by the above, the Plaintiff through its Advocate issued a notice dated March 26, 2018 instructing the Defendant to vacate the Premises. The Plaintiff has alleged that the Defendant failed to comply with the notice and remained in possession of the Premises since May 01, 2018. The said Suit is valued at Rs. 46,46,808/- for recovery of possession, damages, mesne profit and outstanding rent. The Plaintiff has prayed before the Hon’ble Court for: (a) A decree for eviction and

recovery of khas possession of the Premises by evicting the Defendant, including his men, agents and associates; (b) A decree for Rs. 45,00,000/- as damages; (c) A decree of Rs. 1,27,500/- as mesne profits for the Defendant's illegal and wrongful occupation of the Premises per month; (d) An inquiry to determine the mesne profits and a decree for the amount revealed from the inquiry; (e) Costs of the Suit, including Advocate's fees; and (f) Such other reliefs as the Plaintiff is otherwise entitled both under Law and equity. Thereafter, the Defendant filed an application dated March 30, 2019 under Section 7(1) of the West Bengal Premises Tenancy Act, 1997, praying before the Hon'ble Court to allow the Defendant to deposit the current rent for the month of March, 2019 at Rs. 1,100/- and succeeding months to the credit of the Plaintiff. Thereafter, an amendment application dated March 30, 2019 was filed by the Defendant under Section 7(2) of the West Bengal Premises Tenancy Act, 1997 praying before the Hon'ble Court to pass an order to determine whether the Defendant is a defaulter in payment of monthly rent and adjudication if any amount found due and payable in that event, allow the Defendant to deposit the same to the Court Deposit. Thereafter, the Defendant filed another application under Order 7 Rule 11 (d) read with Section 151 of the C.P.C. and read with Section 12A of the West Bengal Premises Tenancy Act, 1997 praying before the Hon'ble Court to reject the plaint in view of Section 12A of the West Bengal Premises Tenancy Act, 1997. In response to the applications made by the Defendant, the Plaintiff filed two written objections under Section 7(2) of the West Bengal Premises Act, 1997 and under Order VII Rule 11 (d) read with Section 151 of the Code of Civil Procedure, 1908 read with Section 12A of the West Bengal Premises Act, 1997, respectively, praying before the Hon'ble Court to dismiss the petition filed by the Plaintiff. Pursuant to the written objections filed by the Plaintiff, the Defendant filed a written statement dated January 8, 2020 before the Hon'ble Court praying for dismissing the Suit against the Defendant. Finally, an amendment application dated September 21, 2023 under Order 6 Rule 17 of CPC, 1908 was filed by the Defendant praying the Hon'ble Court to allow the proposed amendment. The Civil Suit no. 8 of 2019 is pending.

B. LITIGATIONS FILED BY THE DIRECTORS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

C. Disciplinary action against the Promoters by SEBI or any stock exchange in the last five Financial Years

As on date of this DRHP, except as disclosed below, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against the Promoters in the last five Financial Years including any outstanding action:

Adjudication Order no. Order/KS/AA/2019-20/6174-6175 under Section 15-I of Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in respect of Shri Vatsal Agarwal (“Noticee 1”) and Gretex Corporate Services Limited (“Noticee 2”) in the matter of Stratmont Industries Limited

During the Inspection on the Merchant Banking Activities of Gretex Corporate Services Limited in the year 2019, SEBI officials had observed that in an open offer made by Shri Vatsal Agarwal viz. the acquirer (“Noticee 1”) for acquisition of 9,09,449 (26%) Equity Shares of face value of Rs.10/- of Stratmont Industries Limited in accordance with SEBI (SAST) Regulations which opened on December 13, 2018 with the closing date being December 27, 2018. It was observed that Noticee 1 and Noticee 2 did not take acquisition window for Offer to Buy (“OTB”) on the internet based book building system (“iBBS”) platform of BSE Limited within the stipulated time period. Subsequently on the 4th (fourth) working day of the offer period, Noticee 2 completed the process of software acquisition for OTB on the iBBS platform for tendering in the offer. Further, SEBI observed that (i) Noticee 1 had violated the provisions of Regulation 18(8) of SEBI (Substantial Acquisition of Share and Takeover) Regulations, 2011 (“SAST”) by starting the tendering period 12 (twelve) days from the date of receipt of comments from SEBI; and (ii) Noticee 2 violated the provisions of Regulation 27(5) of SAST Regulations on account of lack of due diligence including compliance with Regulation 18(8) of SAST Regulations. In view of the above, SEBI initiated the adjudication proceedings under Section 15HB of the SEBI Act, 1992 against Noticee 1 and Noticee 2 and issued a common show cause notice dated November 8, 2019 to Noticee 1 and Noticee 2 under the provisions of Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995. Further, Noticee 2 vide its letter dated November 27, 2019 denied that there was any violation of the provisions of Regulation 27(5) of SAST Regulations and submitted that there was no lack of due diligence in compliance with Regulation 18(8) of SAST Regulations. Furthermore, Noticee 1 and Noticee 2 made submission in the matter that they had already been monetarily penalised by SEBI, by paying interest to the participating shareholders at the rate of 10% from the date of original offer till the date of extended period of offer. The Noticee 2 also submitted that the non-compliance with the above-mentioned provision was a minor, inadvertent and technical lapse/delay and hence no penalty should be levied on it, since Noticee 2 suo moto intimated SEBI about the said delay.

Vide Order dated December 18, 2019, the Adjudicating Officer imposed a penalty of Rs.1,00,000/- on Noticee 1 and Rs.2,00,000/- on Noticee 2. The said penalty has been paid by Noticee 1 and Noticee 2.

D. Inspection

Letter dated July 21, 2023 issued by SEBI pursuant to regular inspection on the Promoter, Gretex Corporate Limited for the period April 1, 2021 to January 31, 2023.

SEBI had issued a letter dated July 21, 2023 bearing reference SEBI/HO/CFD/SEC3/OW/P/2023/29342/1 dated July 21, 2023 (“SEBI Letter”) to the one of Promoters of the Company viz. Gretex Corporate Services Limited pursuant to its regular inspection for the period April 1, 2021 to January 31, 2023 seeking comments of Gretex Corporate Services Limited on certain alleged violations of SEBI (PIT) Regulations, 2015, SEBI (Merchant Bankers) Regulations, 1992 and SEBI ICDR Regulations in relation to non-maintenance of Structured Digital Database, non-maintenance of net worth requirements, a few inadequacies in due diligence being carried pertaining to the handling of the initial public offering of certain SMEs and in relation to the initial public offering of Gretex Corporate Services Limited on the grounds that the object was not utilised for the purpose for which it was raised and in relation to ensuring Market Making activities in the initial public offering of certain SMEs, where the Company, acted as a Market Maker. It was observed that the Company failed to provide a 2 way quote as stipulated in Circular No. CIR/MRD/DP/14/2010 dated April 26, 2010 in certain SME issues and that Gretex Corporate Services Limited failed to collect requisite data. In response to the above SEBI Letter, Gretex Corporate Services Limited has submitted a reply dated July 27, 2023 to SEBI, explaining and refuting all the allegations. Further, SEBI had inter-alia sought additional data and information pertaining to market making activities in initial public offering of SMEs from Gretex Corporate Services Limited and Gretex Corporate Services Limited submitted its reply providing certain data/information. This matter is pending.

Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006

As of July 31, 2023, there were no cases of dues to micro and small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Material Creditors of the Company having amount outstanding as on July 31, 2023 exceeding 5% of the revenue of the Company as per the Restated Consolidated Financial Statements of the Company.

As of July 31, 2023, we had 1 creditor to whom a total amount amounting to ₹ 0.50 million was outstanding out of which 1 creditor was material creditors in terms of the Materiality Policy and the total amount due to such material creditors was ₹ 0.50 million

Material developments occurring after last balance sheet date

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus and in the chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 208, there have been no material developments since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus:

- (i) The Company converted from a Private Limited Company to a Public Limited Company pursuant to a special resolution passed by the shareholders of the Company at the extraordinary general meeting held on August 8, 2023 and the name of the Company was changed to ‘Gretex Share Broking Limited’ and a fresh certificate of incorporation, consequent upon conversion to a public limited company dated September 4, 2023, was issued to the Company by the Registrar of Companies, Mumbai.
- (ii) The Company, which is the owner of the property situated at non-residential unit bearing office no. LGF 82- A wing, builtup of 3012 sq. ft., situated at lower ground, ground and first floor of a building “Express Zone”, Western Express Highway, Goregaon East, Mumbai – 400097, of village Goregaon, situated within the revenue limits of Tehsil Borivali and Dist. Mumbai Sub-urban district and situated within the limits of Mumbai Municipal Corporation, has given the said property on leave and license to one of our Group Companies, Gretex Industries Limited to use the said property for business purpose vide a resolution passed at EOGM dated September 9, 2023 under a leave and license agreement dated November 9, 2023 for a period of 11 (eleven) months commencing from November 1, 2023 to September 30, 2024, for a license fee amounting to Rs.20,000/- per month. Our Promoters, Alok Harlalka, Arvind Harlalka, Ambition Tie-Up Private Limited and Talent Investment Company Private Limited are also the Promoters of Gretex Industries Limited. Our Promoters Alok Harlalka, Arvind Harlalka and Rajkumari Harlalka are also directors on the board of directors of Gretex Industries Limited.
- (iii) The Company got approval from BSE vide its letter Ref. no. MOD/SHP/2023/180701 dated July 18, 2023 for change in shareholding pattern of the Company. According to the said approval Gretex Corporate Services Limited has bought 94,00,200 Equity Shares from Sankhu Merchandise Private Limited and 72,01,860 Equity Shares from Bonanza Agency LLP.
- (iv) The Company vide its resolution passed at the extra-ordinary general meeting held on September 9, 2023, decided to sell 7,30,400 equity shares held by it in its associate company viz. Sunview Nirman Private Limited to Gretex Industries Limited for a consideration of Rs. 7,23,09,600/-

GOVERNMENT AND OTHER STATUTORY APPROVALS

The Company can undertake the Offer and the Company can undertake its respective current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business activities. Unless otherwise stated, these material approvals are valid as of the date of this Draft Red Herring Prospectus. The Company has obtained all approvals required for its business and has made applications for the remaining approvals as disclosed in this chapter titled “Government and Other Statutory Approvals” at page 225.

I. Approvals for the Offer

1. The Board of Directors have, by a resolution passed at its meeting held on December 7, 2023 authorized the Offer, subject to the approval of the shareholders and such other authorities as may be necessary. Our Board has taken on record the approval for the offer for sale by the Selling Shareholders pursuant to a resolution at its meeting held on December 14, 2023.
2. The shareholders of the Company have, by a special resolution passed in the Extra-ordinary General Meeting held on December 11, 2023 authorised the Offer.
3. In-principle approval dated [●] from the BSE for listing of the Equity Shares issued by the Company pursuant to the Offer.
4. In-principle approval dated [●] from the NSE for listing of the Equity Shares issued by the Company pursuant to the Offer.
5. The Company's International Securities Identification Number (“ISIN”) is INE0QB201014.

II. Incorporation Related Approvals

1. Certificate of Incorporation dated April 29, 2010 issued to Sherwood Securities Private Limited by the Deputy Registrar of Companies, Kolkata, West Bengal.
2. Certificate of Registration of Regional Director order for Change of State dated December 21, 2016 issued by the Registrar of Companies, consequent upon the change of the Company’s Registered Office from the state of West Bengal to the state of Maharashtra.
3. Certificate of Incorporation dated September 1, 2017 issued by Registrar of Companies, Mumbai pursuant to change of name from Sherwood Securities Private Limited to Gretex Share Broking Private Limited.
4. Fresh Certificate of Incorporation upon Conversion from Private Company to Public Company dated September 4, 2023 issued to the Company by the Registrar of Companies, Mumbai consequent upon change of name from Gretex Share Broking Private Limited to Gretex Share Broking Limited.
5. The Corporate Identity Number (CIN) of the Company is U65900MH2010PLC289361.

III. Business Related Approvals

1. Certificate of registration dated July 31, 2018 bearing registration number INZ000166934 granted by SEBI, under Regulation 6 and Regulation 10B of SEBI (Stock Broker and Sub-Brokers) Regulations, 1992 for carrying on the activities of buying, selling, or dealing in securities/clearing and settlement of trade and for carrying on such other activities as permitted by stock exchange(s)/clearing corporation(s). The Company has submitted its original Certificate of Registration to BSE for change in Name and Change in registered Office address.
2. Certificate of registration as a participant dated July 1, 2022 bearing registration number IN-DP-699-2022 granted by SEBI under Regulation 36 of SEBI (Depositories and Participants) Regulations, 2018.
3. Certificate of membership dated September 23, 2022 issued by BSE for carrying business under Member No. 6176 in cash, currency derivatives and derivatives segment.

4. Letter bearing No. NSE/MEM-COMP/90287 dated May 12, 2022 issued by NSE granting member code no. 90287 for carrying business in Capital Markets, Futures & Options, Currency Derivatives, Commodity segments of the Exchange.
5. Letter bearing Ref No: ICCL/MEM/2018-19/050 dated December 26, 2018 issued by Indian Clearing Corporation Limited under Clearing Member ID-6176 for Clearing Member.
6. Certificate of registration issued by BSE bearing registration number SMEMM0617628062012 dated June 28, 2012 as Market Maker under SME Platform of BSE was issued to the Company.
7. Letter issued by the NSE bearing reference number NSE/MEM/3154/90287 dated February 08, 2023 as Market Maker under SME Platform of NSE was issued to the Company.

IV. Tax Related Approvals

1. The Company has been allotted Permanent Account Number (PAN) AAOCS1879E
2. The Company has been allotted Tax Deduction and Collection Account Number (TAN) MUMG22299E.
3. The following are the GST Registrations obtained by the Company:

| Sr. No. | Description | Authority | Registration Number | Date of Issue | Date of Expiry |
|--------------------|--|---------------------|---------------------|---|-----------------------|
| Maharashtra | | | | | |
| a. | Certificate of registration under Maharashtra Goods and Services Tax Act, 2017 for the Premises situated at Senapati Bapat Marg, Unit no -A-401, Naman Midtown Wing A, Parel Elphinstone Road Bridge, India Bulls, Elphinstone West, Mumbai, Mumbai, Maharashtra, 400013 | Government of India | 27AAOCS1879E1ZX | July 29, 2017 Date of Issue of Certificate: November 16, 2023 | Valid until cancelled |

4. The various registrations obtained in respect of professional tax by the Company are as follows:

| Sr. No. | Description | Authority | Registration Number | Date of Issue | Date of Expiry |
|--------------------|---|----------------------------------|---------------------|---------------|-----------------------|
| Maharashtra | | | | | |
| a. | Certificate of Registration issued under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 for premises situated at Office No.13, 1 st Floor, New Bansilal Building, 9-15, Homi Modi Street, Fort, Mumbai G.P.O., Mumbai- | Maharashtra Sales Tax Department | 27271547192P | May 14, 2017 | Valid until cancelled |

| Sr. No. | Description | Authority | Registration Number | Date of Issue | Date of Expiry |
|--|---|----------------------------------|---------------------|---------------|-----------------------|
| | 400001* | | | | |
| b. | Certificate of Enrolment issued under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 for premises situated at Office No.13, 1st Floor, New Bansilal Building, 9-15, Homi Modi Street, Fort, Mumbai G.P.O., Mumbai- 400001 | Maharashtra Sales Tax Department | 99574254758P | April 1, 2017 | Valid until cancelled |
| <p><i>* We are in receipt of Certificate of Registration and Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 for the premises situated at 1st Floor, Office No. 13, Raja Bahadur Mansion, New Bansilal Building, 9-15 Homi Modi Street, Fort, Mumbai City, Maharashtra, 400023. However, the Registered Office of the Company has been recently shifted to A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (West), Delisle Road, Mumbai 400013, Maharashtra, India and an application for change in registered office has been made by the Company.</i></p> | | | | | |

V. Labour Related Approvals

A. Registrations under shops and establishment legislations in India:

| Sr.No | Description | Authority | Registration number | Date of Issue | Date of Expiry |
|--------------------|---|--|-----------------------------------|------------------|-----------------------|
| Maharashtra | | | | | |
| a. | Form B Intimation Receipt under Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 for the Registered Office of the company situated at A-401, Floor 4 th , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (West), Delisle Road, Mumbai, Maharashtra, India, 400013. | Maharashtra Shops and Establishments Department. | 820311617/ GS Ward/ Commercial II | October 17, 2023 | Valid until cancelled |


B. Registration No MHBAN2524881000 issued by Employee's Provident Fund Organisation, India under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.*

- C. Implementation letter for the certificate of registration issued bearing no. 31001179660001099 under the Employees' State Insurance Act, 1948*.

**The Company has filed an application for the above- mentioned approvals for name change to Gretex Share Broking Limited*

VII. Pending Approvals

1. The Company has submitted its original Certificate of Registration granted by SEBI to BSE for change in Name and Change in registered Office address.
2. The Company has made application for amendment in change of name to Gretex Share Broking Limited for the following approvals:
 - a) Letter bearing Provident Fund Code Number Intimation under the Employees Provident Fund and Miscellaneous Provisions Act, 1952;
 - b) Implementation letter for the certificate of registration under the Employees' State Insurance Act, 1948
3. The Company has made application for change in address to its current registered office address for the Certificate of Registration and Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.
4. Intellectual Property Rights:

| S. No. | Description | Applicant | Application No. | Date of Application | Trademark | Status |
|--------|--|------------------------------|---|---------------------|---|---------|
| 1. | Application for registration of trade mark issued under the Trade Marks Act, 1999* | Gretex Share Broking Limited | 9387010 Class: 36 Financial, Monetary and Banking Services; insurance services; real estate affairs., brokerage services, for example, securities, insurance and real estate brokerage | October 14, 2023 |  | Pending |

** The Company's Group Company namely Gretex Industries Limited has issued a No Objection Certificate dated December 14, 2023 to the Company inter-alia permitting the Company to use the Trademark*



and register the same with the Trademarks Registry under Class 36.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

1. The Board of Directors of the Company has authorised the Offer by a resolution passed at its meeting held on December 7, 2023.
2. The Shareholders of the Company have authorised the Offer, pursuant to a special resolution passed in the Extraordinary General Meeting held on December 11, 2023 under Section 62(1) (c) of the Companies Act 2013.
3. Further, the Board has taken on record the consent of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on December 14, 2023.
4. The Board of Directors of the Company has, on December 14, 2023 approved this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

Approvals from the Selling Shareholders

Each of the Selling Shareholders have, severally and not jointly, confirmed their participation in the Offer for Sale, as set out below:

| S. No. | Name of the Selling Shareholder | Date of consent letter | Date of Transmittal Letter | Maximum numbers of Offered Shares |
|--------|---------------------------------|------------------------|----------------------------|-----------------------------------|
| 1. | Alok Harlalka HUF | December 13, 2023 | December 13, 2023 | 13,80,000 |
| 2. | Sumeet Harlalka | December 13, 2023 | December 13, 2023 | 8,58,000 |
| 3. | Sashi Harlalka | December 13, 2023 | December 13, 2023 | 8,58,000 |
| | Total | | | Up to 30,96,000 |

Each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with Regulation 8 of the SEBI ICDR Regulations, and each of the Selling Shareholder held his/her/its respective portion of the Offered Shares for a period of at least 1 (one) year prior to the date of filing of the Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus where such Equity Shares have resulted from a bonus issue, such bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus. Further, in this regard, the Company confirms that such bonus issue was not and shall not be undertaken by capitalizing or by utilization of revaluation reserves or unrealized profits of the Company.

In-principle Listing Approvals

The Company has received in-principle approvals from the BSE and NSE for the listing of the Equity Shares pursuant to their respective letters dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

The Company, its Directors, its Promoters, members of the Promoter Group, the Selling Shareholders, persons in control of our Company and companies or entities with which the Company's Promoters and Directors are associated as Directors / Promoters are not prohibited/debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator in any other jurisdiction or any other authority/court. The listing of any securities of the Company has never been refused at any time by any of the Stock Exchanges in India. There are no violations of securities laws committed by them in the past or are pending against them.

Each of the Selling Shareholders severally and not jointly confirm, with respect to themselves, they are not prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other

authority/court.

None of the Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of the Directors, in the past five years.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

The Company, its Directors and its Promoters / members of Promoter Group are not declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of the Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

On account of certain technical difficulties with filing of the relevant website, the Company is unable to upload Form BEN-2 as required under the Companies (Significant Beneficial Owners) Rules, 2018. However, the Company undertakes to ensure that the Company, its Promoters, members of Promoter Group and each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them as regards their respective shareholding in the Company, prior to filing of the Red Herring Prospectus with SEBI, Stock Exchanges and the RoC.

Eligibility for the Offer

The Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- (a) The Company has had net tangible assets of at least ₹30.00 million, calculated on a restated and consolidated basis, in each of the preceding 3 (three) full years (of 12 months each).
- (b) The Company has an average operating profit of at least ₹150.00 million, calculated on a restated and consolidated basis, during the preceding 3 (three) years (of 12 months each), with operating profit in each of these preceding 3 (three) years;
- (c) The Company has a net worth of at least ₹10.00 million in each of the preceding 3 (three) full years (of 12 months each), calculated on a restated and consolidated basis; and
- (d) The Company has not changed its name in the last one year, immediately preceding the date of filing of this Draft Red Herring Prospectus, other than the deletion of the word "Private" from the name of the Company pursuant to conversion to a public limited company. The Company has not undertaken any new activity pursuant to such change in name.

(₹ in million, unless otherwise stated)

| Particulars | Fiscal 2023 | Fiscal 2022 | Fiscal 2021 |
|--|---|----------------|----------------|
| | <i>(in ₹ million unless stated otherwise)</i> | | |
| Restated Net Tangible Assets (A)(1)* | 650.80 | 320.29 | 153.61 |
| Operating Profit (B)(2)* | 587.46 | 89.51 | 7.80 |
| Net Worth (C)(3)* | 666.39 | 320.29 | 159.46 |
| Restated Monetary Assets (D)(4)* | 46.58 | 58.36 | 4.45 |
| Restated Monetary Assets as a Percentage of the Restated Net Tangible Assets (D)/(A) | 7.16 | 18.22 | 2.90 |

**as restated and consolidated*

- (1) "Net Tangible Assets" means, as restated and consolidated, the sum of all net assets of the Offeror, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, issued by the Institute of Chartered Accountants of India.

- (2) *Operating profit” means, as restated and consolidated, the profit before finance costs, other income and tax expenses.*
- (3) *“Net worth” means, as restated and consolidated, the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
- (4) *“Monetary Assets” means cash in hand, balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent).*

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, the Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

The Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations to the extent applicable, which are as follows:

- (a) The Company has entered into agreement with a depository for dematerialisation of the specified securities already issued and proposed to be issued;
- (b) All the Company’s specified securities held by the Promoters are in dematerialised form prior to filing of the offer document;
- (c) All its existing partly paid-up equity shares have either been fully paid-up or have been forfeited;
- (d) Since the entire Objects of the Offer shall be funded through the Offer Proceeds, the Company confirms that there is no requirement for the Company to make firm arrangements of finance through verifiable means towards 75 (seventy-five)% of the stated means of finance for a specific project proposed to be funded from the issue proceeds, excluding the amount to be raised through the proposed public issue or through existing identifiable internal accruals.

Further, the Company will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. Further, the Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of the compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

1. None of the Company, the Selling Shareholders, its Promoters, members of the Promoter Group or its Directors are debarred from accessing the capital markets by SEBI.
2. None of the Promoters or Directors of the Company is a promoter or a director of any other company which is debarred from accessing the capital market by SEBI.
3. None of the Company, the Promoters or Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower (as defined in the SEBI ICDR Regulations).
4. None of the Promoters or its Directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
5. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

The Selling Shareholders confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

Disclaimer Clauses

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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 RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED

HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 14, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from the Company, its Directors, the Selling Shareholders and the BRLM

The Company, its Directors, the Selling Shareholders and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at the Company's instance and anyone placing reliance on any other source of information, including the Company's website at <https://gretexbroking.com/> or any website of any affiliate of the Company, its Subsidiary, any of the Group Companies or of any of the Selling Shareholders, would be doing so at their own risk. It is clarified that none of the Selling Shareholders accept and/or undertake any responsibility for any statements made or undertakings provided by any person other than those specifically made or undertaken by such Selling Shareholder in this Draft Red Herring Prospectus in relation to him/her/it and his/her/its respective portion of the Offered Shares.

The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and the Company.

All information shall be made available by the Company, each of the Selling Shareholders (solely to the extent relating to him/her/it and his/her/its respective portion of the Offered Shares) and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centers or elsewhere.

None among the Company or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Caution

Investors who Bid in the Offer are required to confirm and are deemed to have represented to the Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity

Shares and will not offer, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and its associates and affiliates may engage in transactions with, and perform services for, the Company, the Selling Shareholders, its Group Companies and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with the Company and its affiliates or associates or third parties and the Selling Shareholders,, for which they have received, and may in the future receive, compensation.

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 competent to contract under the Indian Contract Act, 1872, Hindu Undivided Families (“HUFs”), companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other applicable trust laws, and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, multilateral and bilateral development financial institutions, state industrial development corporations, venture capital funds, Insurance Regulatory and Development Authority of India, pension funds with a minimum corpus of ₹25,00,00,000/- (Rupees Two-five Crores Only) registered with the Pension Fund Regulatory and Authority established under sub-section(1) of Section 3 of the Pension fund Regulatory and Development Authority Act, 2013, provident funds with a minimum corpus of ₹25,00,00,000/- (Rupees Two-five Crores Only), National Investment Fund set-up by resolution number F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, India and to permitted systemically important NBFCs registered with the RBI, non-residents including Eligible NRIs, Alternative Investment Funds, Foreign Portfolio Investors (other than individuals) registered with SEBI, foreign venture capital registered with SEBI and QIBs.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares offered in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares offered in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs or in the affairs of any of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Each purchaser of the Equity Shares in the Offer in India shall be deemed to:

- represent and warrant to the Company, the Selling Shareholders, the BRLM and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.
- represent and warrant to the Company, the Selling Shareholders, the BRLM and the Syndicate Members that it did not purchase the Equity Shares as result of any “directed selling efforts” (as defined in Regulation S).
- represent and warrant to the Company, the Selling Shareholders, the BRLM and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- represent and warrant to the Company, the Selling Shareholders, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- represent and warrant to the Company, the Selling Shareholders, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- agree to indemnify and hold the Company, the Selling Shareholders, the BRLM and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- acknowledge that the Company, the Selling Shareholders, the BRLM, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to the Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to the Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

Applications will be made to the Stock Exchanges for obtaining permission to list, trade and deal in and for an official quotation of the Equity Shares being issued and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalised for the Offer. The existing Equity Shares are not listed on any Stock Exchanges in India.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, the Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within the prescribed time, then the Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

The Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within 3 (three) Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. Further, the Selling Shareholders confirms that they shall provide reasonable assistance to the Company, and the BRLM, with respect to inclusion of Offered Shares, for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges within 3 (three) Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

If the Company does not allot Equity Shares pursuant to the Offer within 3 (three) Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Account will be transferred to the Refund Account and it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Each of the Selling Shareholders shall reimburse, severally and not jointly, and only to the extent of the respective portion of their Offered Shares, and as mutually agreed and in accordance with applicable law, any expenses and interest incurred by the Company on behalf of such Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that such Selling Shareholders shall not be responsible or liable for payment of any expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder in relation to itself or its respective portion of the Offered Shares.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than 6 (six) months extending up to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of each of the Selling Shareholders, its Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the legal counsel, the bankers to the Company, CareEdge, Advisory the BRLM, Statutory Auditor and Registrar to the Offer, in their respective capacities, have been obtained; and consents in writing of, the Syndicate Members, Bankers to the Offer/Escrow Bank, Public Offer Account Bank, Sponsor

Bank(s) and Refund Bank(s) and Monitoring Agency, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013.

The said consents will be filed along with a copy of the Draft Red Herring Prospectus with the Registrar of Companies, as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus, for registration with the Registrar of Companies, Mumbai.

Experts

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

The Company has received written consent dated December 14, 2023 from the Statutory Auditors, who holds a valid peer review certificate, to include its name as required under Section 26(5) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the examination report dated December 14, 2023 of the Statutory Auditor on the Restated Consolidated Financial Statements of the Company, as at and for Fiscals 2023, 2022 and 2021 and the 4 (four) months’ period ended July 31, 2023 and the Statement of Special Tax Benefits dated December 11, 2023, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by the Company during the last 5 (five) years

The Company has not made any public issue in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. The Company has not undertaken rights issues of its equity shares in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. For further details, please see “*Capital Structure*” on page 70 of this DRHP.

Commission or Brokerage on Previous issues in the last 5 (five) years

Since this is the initial public issuing of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the 5 (five) years preceding the date of the Draft Red Herring Prospectus.

Capital Issues in the preceding 3 (three) Years

Except as disclosed in “*Capital Structure - Share capital History of the Company*” beginning on page 71 of this DRHP, the Company has not made any capital issues during the 3 (three) years immediately preceding the date of this Draft Red Herring Prospectus.

Except for the equity shares of Gretex Industries Limited, one of our Group Companies, which is listed on National Stock Exchange of India, our Company does not have any listed group company or any listed subsidiary or a listed associate entity. However, Gretex Industries Limited has not made any public/right issues during the 3 (three) years immediately preceding the date of this Draft Red Herring Prospectus. The Company does not have associates.

Performance vis-à-vis Objects

The Company has not undertaken any public issues, including any rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last Offer of Subsidiary/Promoters

The Company does not have a listed subsidiary. Gretex Corporate Services Limited, the Promoter of the Company is listed on BSE Limited since August 9, 2021. It has undertaken an initial public offer of equity shares in the year 2021 and has filed its Prospectus dated July 19, 2021 in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. Further, the objects of such issue were (i) payment of security deposit for renting of office space; (ii) working capital requirements; and (iii) general corporate purposes and the issue proceeds were utilized for said issue objects. However, please refer to Risk Factor “*One of our Promoters namely Gretex Corporate Services Limited has received an observation letter from SEBI in course of its regular inspection pertaining to maintenance of Structured Digital Database, maintenance of net worth requirements, due diligence being carried and ensuring market making activities. Any adverse outcome of such proceeding could have an impact on our Company’s reputation, financial condition, and the results of operations.*” on page 38 of this Draft Red Herring Prospectus. Gretex Corporate Services Limited has undertaken a rights issue of its equity shares in and around August, 2023. Further, the objects of such issue were (i) to purchase shares from existing shareholders of associate company, “Gretex Share Broking Private Limited” making it a subsidiary; and (ii) general corporate purposes and the issue proceeds were utilized for said issue objects.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

The price information of past issues handled by Pantomath Capital Advisors Private Limited is as follows:

| Sr. No | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | 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. | V-Marc India Limited | 23.40 | 39.00 | April 9, 2021 | 46.50 | -15.48 % (0.08%) | -31.08 % (7.04%) | -17.74% (20.14) |
| 2. | Exxaro Tiles Limited | 160.78 | 120.00 | August 16, 2021 | 126.00 | 23.69% (4.93%) | 16.19% (9.30%) | 1.07% (4.90%) |
| 3. | A B Cotspin India Limited | 10.09 | 35.00 | January 11, 2022 | 38.50 | 41.82% (-3.28%) | 12.60% (-2.11%) | -3.60% (-10.65%) |
| 4. | Sah Polymers Limited | 66.30 | 65.00 | January 12, 2023 | 85.00 | -4.24% (-0.01%) | -12.11% (-1.14%) | 13.59% (8.39%) |
| 5. | Urban Enviro Waste Management limited | 11.42 | 100.00 | June 22, 2023 | 141.00 | - 27.66% (5.19%) | -5.39% (6.02%) | - |
| 6. | Aeroflex Industries Limited | 351.00 | 108.00 | August 31, 2023 | 197.40 | -22.59% (1.54%) | -19.12%(2.07%) | - |
| 7. | Vishnu Prakash R Punglia Limited | 308.60 | 99.00 | September 05, 2023 | 165.00 | 0.67% (-0.71%) | 24.12%(3.54%) | - |
| 8. | Plaza Wires Limited | 71.28 | 54.00 | October 12, 2023 | 76.00 | 49.47% (-1.86%) | - | - |
| 9. | Transteeel Seating Technologies Limited | 49.98 | 70.00 | November 06, 2023 | 88.90 | 3.82% (7.44%) | - | - |
| 10. | Sar Televenture Limited | 24.75 | 55.00 | November 08, 2023 | 110.25 | 70.16% (7.50%) | - | - |

For details regarding the price information and track record of the past issue handled by the BRLM, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer the table below and the website of the BRLM at www.pantomathgroup.com.

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:

1. The BSE Sensex and CNX 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 previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

Summary statement of price information of past public issues handled by Pantomath Capital Advisors Private Limited

| Financial year | Total no. of IPO | Total funds raised (Rs. Cr) | Nos of IPOs trading at discount on 30th Calendar day from listing date | | | Nos of IPOs trading at premium on 30th Calendar day from listing date | | | Nos of IPOs trading at discount on 180th Calendar day from listing date | | | Nos of IPOs trading at premium on 180th 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% |
| 21-22 | 3 | 194.27 | - | - | 1 | - | 1 | 1 | - | - | 2 | - | - | 1 |
| 22-23 | 1 | 66.30 | - | - | 1 | - | - | - | - | - | - | - | - | 1 |
| 23-24* | 6 | 817.03 | - | 1 | 1 | 1 | 1 | 2 | - | - | - | - | - | - |

*Upto December 14, 2023

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the Book Running Lead Manager, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager, i.e., <https://www.pantomathgroup.com>.

Stock Market Data of the Equity Shares

This being the initial public offer of the Equity Shares of the Company, the Equity Shares is not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer and the Company dated December 14, 2023 provides for retention of records with the Registrar to the Offer for a minimum period of 8 (eight) years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the BRLM 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 or non-receipt of funds by electronic mode, etc.

All grievances, other than of 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, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLM. All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the Sole Bidder or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding 2 (two) 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 2 (two) Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, inter alia, in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of 1 (one) Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 (three) months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 (fifteen) days, failing which the concerned SCSB would have to pay interest at the rate of 15% p.a. for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications, for the stipulated period. Further, in terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount for the period of such delay, which period shall start from the day following the receipt of a complaint from the investor. The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|---|---|---|
| Delayed unblock for cancelled / withdrawn / deleted applications. | ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. | From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock. |
| Blocking of multiple amounts for the same Bid made through the UPI Mechanism. | 1. Instantly revoke the blocked funds other than the original application amount; and | From the date on which multiple amounts were blocked till the date of actual unblock. |

| | | |
|---|--|--|
| | 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | |
| Blocking more amount than the Bid Amount. | 1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher. | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock. |
| Delayed unblock for non – Allotted / partially Allotted applications. | ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. | From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock. |

The Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

For helpline details of the Book Running Lead Managers pursuant to the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), see “*General Information -Book Running Lead Manager*” on page 63.

Disposal of Investor Grievances by the Company

The Company will obtain authentication on the SCORES and will comply with the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and any amendment thereto, in relation to redressal of investor grievances through SCORES, prior to filing the Red Herring Prospectus.

We estimate that the average time required by the Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be 10 (ten) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, the Company will seek to redress these complaints as expeditiously as possible.

The Company has appointed Niket Pradipkumar Thakkar, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Address:

A-401, Floor 4th, Plot FP-616, (PT),
Naman Midtown, Senapati Bapat Marg,
Near Indiabulls Dadar (West),
Delisle Road, Mumbai 400013,
Maharashtra, India. **Telephone:** 02262390753

E-mail: compliance@gretexbroking.com

Investor Grievance ID: grievances@gretexbroking.com

The Company has obtained authentication on the SCORES and in compliance with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, the Board has constituted a *Stakeholders’ Relationship Committee*, which is responsible for redressal of grievances of the security holders of our Company. For more information, see “*Our Management*” beginning on page 172 of this DRHP. The Company has not received any investor grievances during the 3 (three) years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending. The Selling Shareholders have authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Each of the Selling Shareholders has severally and not jointly authorised the Company to take all actions in respect of the Offer for Sale in accordance with Section 28 of the Companies Act, 2013.

Outstanding Debentures, Bonds or Redeemable Preference Shares

The Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of the Company.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Offer expenses, please refer to the chapter titled "*Objects of the Offer*" beginning on page 86 of this DRHP.

Commission payable to SCBSs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCBSs, Registered Brokers, CRTAs and CDPs, please refer to the chapter titled "*Objects of the Offer*" beginning on page 86 of this DRHP.

Disposal of investor grievances by listed Group Companies

The Company has one listed Group Company namely Gretex Industries Limited which has no complaints pending against it as of the date of this Draft Red Herring Prospectus.

Capitalization of Reserves or Profits

Except Bonus Issue undertaken by the Company on July 13, 2023, the Company has not capitalized its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

The Company has not revalued its assets since its incorporation.

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

The Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION VIII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares are being offered, Allotted and transferred pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus and the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI, 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 such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue and an Offer for Sale by the Selling Shareholders.

The listing fees shall be borne by our Company. Other Offer-related expenses shall be shared between our Company and the Selling Shareholders. However, all Offer-related expenses shall initially be borne by our Company. Upon successful completion of the Offer, the Selling Shareholders shall reimburse our Company their share of the Offer-related expenses. For details in relation to Offer expenses, see “*Objects of the Offer*” beginning on page 86.

Ranking of the Equity Shares

The Equity Shares being offered and allotted in the Offer shall be subject to the provisions of the Companies Act, SEBI Listing Regulations, SEBI ICDR Regulations, SCRA read with SCRR, our Memorandum of Association and our Articles of Association, and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see “*Main Provisions of the Articles of Association*” beginning on page 277.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association, our Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, including pursuant to the Offer for Sale, for the entire year, in accordance with applicable law. For further details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 202 and 277, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLM, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●], and [●] editions of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, the equity shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory or preferential claims being satisfied;
- Right to freely transfer their Equity Shares, subject to any RBI rules, foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association of the Company.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "*Main Provisions of the Articles of Association*" beginning on page 277.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form to all Bidders. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated June 27, 2023 amongst our Company, NSDL and the Registrar to the Offer.
- Tripartite Agreement dated June 22, 2023 amongst our Company, CDSL and the Registrar to the Offer.

Market Lot and Trading Lot

Since, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, the tradable lot is one (1) Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of one (1) Equity Share, subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (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 are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. 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 our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- 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 may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

Bid / Offer Programme

| | |
|------------------------------|-----|
| BID / OFFER OPENS ON | ● |
| BID / OFFER CLOSES ON | ● # |

* Our Company and the Selling Shareholders may, in consultation with the BRLM, may consider participation by Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

** Our Company and Selling Shareholders may, in consultation with the BRLM, consider closing the Bid / Offer Period for QIBs one (1) day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.

UPI mandate end time and date shall be at 5:00 p.m. on Bid / Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

| Event | Indicative Date |
|---|------------------------|
| Finalisation of Basis of Allotment with the Designated Stock Exchange | On or about ● |
| Unblocking of funds from ASBA Account*** | On or about ● |
| Credit of the Equity Shares to depository accounts of Allottees | On or about ● |
| Commencement of trading of the Equity Shares on the Stock Exchanges | On or about ● |

***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 Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding 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 Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking 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 Bid Amount, the Bidder shall be compensated by the SCSB responsible for causing such delay in unblocking 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 Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, read with SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The above timetable is indicative and does not constitute any obligation on our Company, our Selling Shareholders or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid / Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid / Offer Period by our Company and our Selling Shareholders, in consultation with the BRLM, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

Selling Shareholders confirms that they shall extend complete co-operation required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or within such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI vide circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had notified the proposal for reducing the time period for listing of shares in public issue from existing 6 days to 3 days. The revised timeline of T+3 days has been 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. Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids:

| Bid/ Offer Period (except the Bid/ Offer Closing Date) | |
|---|--|
| Submission and Revision in Bids | Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”)) |
| Bid/ Offer Closing Date | |
| Submission and Revision in Bids | Only between 10.00 a.m. and 3.00 p.m. IST |

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs or Eligible Employees under the Employee Reservation Portion.

On Bid/ Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids will only be accepted on Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Selling Shareholders, nor any member of the Syndicate is liable for any failure in: (i) uploading or downloading the Bids due to faults in any software / hardware system or otherwise, and (ii) the blocking of the Bid Amount in the ASBA Account of Bidders on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company and the Selling Shareholders, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 (ten) Working Days. Further, in cases of *force majeure*, banking strike or similar circumstances, our Company and the Selling Shareholders, in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid / Offer Period for a minimum of 3 (three) Working Days, subject to the Bid / Offer Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid / Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and Sponsor Bank as applicable. In case of revision of the Price Band, the Bid lot shall remain the same.

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 Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer equivalent to at least 25% post-Issue paid up Equity Share capital of our Company, as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 4 (four) days, our Company and the Selling Shareholders, to the extent applicable, shall pay interest at the rate of 15% per annum including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021.

However, no liability to make any payment of interest or expenses shall accrue to the Selling Shareholders unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of the Selling Shareholders and to the extent of its portion of the Offered Shares.

In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards the sale of the Offered Shares and only thereafter, towards the balance Fresh Issue. For avoidance of doubt, the balance Equity Shares of the Fresh Issue (i.e., 10% of the Fresh Issue) will be offered only once the entire portion of the Offered Shares are Allotted in the Offer.

Further, the Selling Shareholders and our Company shall ensure that the number of prospective Allotees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders, and subscription money will be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholders and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Share Capital of our Company and minimum Promoters' Contribution as detailed in "*Capital Structure*" beginning on page 70 and except as otherwise provided in our Articles of Association, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" beginning on page 277.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLM, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such further time as may

be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company, and the BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, (in case of RIB's using the UPI Mechanism), as applicable, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh Draft Red Herring Prospectus will be submitted again to SEBI and the Stock Exchanges.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of Bid/Offer Closing Date or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

The Initial Public Offer is of up to 1,98,77,915 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million comprising of a Fresh Issue of up to 1,67,81,915 Equity Shares aggregating up to ₹ [●] million by our Company and an Offer of Sale of up to 30,96,000 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders. The Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement of up to 33,12,985 Equity Shares to certain investors. Any Pre-IPO Placement to investors will be at a price to be decided by our Company, in consultation with the BRLM. The Pre-IPO Placement, if undertaken, will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer size complying with Rule 19 (2) (b) of the SCRR.

The Offer is being made through the Book Building Process.

| Particulars | QIBs ⁽¹⁾ | Non-Institutional Bidders | Retail Individual Bidders |
|--|--|--|--|
| Number of Equity Shares available for Allotment/ allocation ⁽²⁾ | Not more than [●] Equity Shares | Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Retail Individual Bidders | Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders |
| Percentage of Offer Size available for Allotment/ allocation | Not more than 50% of the Offer size shall be allocated to QIB Bidders. However, up to 5% of the QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund portion will be available to QIBs. | Not less than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Bidders, shall be available for allocation out of which: (a) one-third portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2,00,000 and up to ₹ 10,00,000, and (b) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 10,00,000, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. | Not less than 35% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation. |
| Basis of Allotment if respective category is oversubscribed* | Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be | The allotment to each Non-Institutional Bidder shall not be less than the minimum NIB application size viz. ₹2,00,000 Equity Shares, subject to the | Proportionate, subject to the minimum bid lot. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid |

| Particulars | QIBs ⁽¹⁾ | Non-Institutional Bidders | Retail Individual Bidders |
|------------------------------|---|--|--|
| | <p>available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>Not more than [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.</p> | <p>availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, subject to valid Bids being received at or above the Offer Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 2,00,000 and up to ₹10,00,000; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹10,00,000, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. For details, see “Offer Procedure” beginning on page 253.</p> | <p>Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Offer Procedure” on page 253.</p> |
| Minimum Bid | Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter | Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. |
| Maximum Bid | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding (excluding the Anchor Investor Portion), the size of the Offer, subject to applicable limits under applicable law. | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB portion), subject to applicable limits under applicable law. | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000 |
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter | | |
| Mode of allotment | Compulsorily in dematerialised form | | |
| Allotment Lot | [●] Equity Shares and in multiples of one Equity Share thereafter | | |
| Trading Lot | One Equity Share | | |
| Who can apply ⁽³⁾ | Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, Mutual Funds, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, | Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are categorised as category II FPIs and registered with SEBI. | Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta). |

| Particulars | QIBs ⁽¹⁾ | Non-Institutional Bidders | Retail Individual Bidders |
|------------------|---|---|--|
| | multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 lakhs, pension funds with minimum corpus of ₹ 2,500 lakhs, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies. | | |
| Terms of Payment | In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾ ⁽⁵⁾ In case of all other Bidders: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) by the SCSBs or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form. | | |
| Mode of Bidding | ASBA only (excluding UPI Mechanism) ⁽⁶⁾ except for Anchor Investors | ASBA only (including the UPI Mechanism for an application size of up to ₹ 500,000) ⁽⁷⁾ | ASBA only (including the UPI Mechanism) ⁽⁷⁾ |

*Assuming full subscription in the Offer.

[^]SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

- (1) Our Company and Selling Shareholders may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.
- (2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate

allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders of which one-third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹ 2,00,000 and up to ₹10,00,000 and two-thirds of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹ 10,00,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to applicants in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards the sale of the Offered Shares and only thereafter, towards the balance Fresh Issue. For avoidance of doubt, the balance Equity Shares of the Fresh Issue (i.e., 10% of the Fresh Issue) will be offered only once the entire portion of the Offered Shares are Allotted in the Offer. For further details, please see “Terms of the Offer” beginning on page 242.

- (3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- (4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.
- (5) In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.
- (6) Anchor Investors are not permitted to use the ASBA process.
- (7) UPI Bidders are advised to confirm the availability of the UPI Mechanism with their respective brokers, prior to submission of Bids.

Bids by FPIs with certain structures as described under “Offer Procedure” on page 253 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.

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 Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders should read the General Information Document, for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the 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, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, 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 Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications and electronic registration of bids; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, 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, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to 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+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the Covid-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days was made effective using the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III has been 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 Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public issue and redressing investor grievances. This circular has come into force for initial public issue opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5,00,000 shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022)

shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 29, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the 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 BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company, the Selling Shareholders, the BRLM and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made through the Book Building process in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs provided that our Company and the Selling Shareholders may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one-third of the Non-Institutional Portion shall be reserved for allocation to Bidders with an application size of more than ₹ 2,00,000 and up to ₹ 10,00,000 and (b) two-thirds of the Non-Institutional Portion shall be reserved for allocation to Bidders with an application size of more than ₹ 10,00,000 provided that the undersubscribed portion in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for UPI Bidders using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable law.

Bidder must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the 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 RIB 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 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. 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. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. 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.

Phase III: This phase has become applicable on voluntary basis for all the 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 issue closure to listing has been reduced 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 the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Streamlining 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 Streaming 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 no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the facility of making applications in public offers shall also provide the 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 Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Non-Institutional Bidders Bidding with an application size of up to ₹ 2,00,000 in the Non-Institutional Portion may also Bid using the UPI Mechanism, where made available.

Further, pursuant to SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a syndicate member;
- 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);
- iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the “*General Information Document*” available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Forms shall be available at the offices of the BRLM at the Anchor Investor Bidding Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

UPI Bidders using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected

All ASBA Bidders (including UPI Bidders using UPI Mechanism, as applicable) must provide bank account details and authorisation to block funds in their respective ASBA Account in the relevant space provided in the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable in the relevant space provided in the ASBA Form. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Further ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the

ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. UPI Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

Since the Offer is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- a. RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- b. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- c. QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT circular no.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The prescribed colour of the Bid cum Application Forms 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 | [●] |
| Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis | [●] |
| Anchor Investors | [●] |

* Excluding electronic Bid cum Application Forms

Notes:

1. Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com)
2. Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI

Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders using UPI Mechanism where made available) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE circular no. 20220803-40 and NSE circular no. 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer 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/Offer Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository Participants shall continue till further notice;
- b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
- c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day;
- d) The Stock Exchanges shall display Offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

Electronic registration of Bids

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. 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 on-line facilities for Book Building on a regular basis before the closure of the Offer.

- b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given time till 5:00 pm on the next Working Day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by associates and affiliates of the BRLM and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group

The BRLM and the Syndicate Members shall not be allowed to subscribe to or purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may bid for Equity Shares in the Offer, either in the Net QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients.

Except as stated below, neither the BRLM nor any associates of the BRLM can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLM
- (ii) insurance companies promoted by entities which are associate of the BRLM
- (iii) AIFs sponsored by the entities which are associate of the BRLM; or
- (iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.

Promoters and the members of the Promoter Group will not participate in the Offer. Further, persons related to the Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the Book Running Lead Manager.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids 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 such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV 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 fund or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary (“NRO”) accounts or confirm or accept the UPI mandate request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For further, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 275.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the *karta*. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case, the total holding of an FPI, or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed

that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, is permitted to issue, subscribe to or otherwise deal in offshore derivative instruments directly or indirectly, if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with the 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (i) to (iv)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

BID received from FPIs bearing the same PAN shall be treated as multiples bids and are liable to be rejected, except for bid from FPIs that utilise the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated depository participants issued to facilitate implementation of SEBI FPIs regulations (such structure referred to as "MIM structure"), provided such bid have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

For details of investment by FPIs in the Offer, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 275. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA NDI Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, 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 (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company and Selling Shareholders, in consultation with the BRLM, reserve the right to reject any Bid 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 (the “Banking Regulation Act”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, 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 would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) 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, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) 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.

Bids by SCSBs

SCSBs participating in the Offer 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.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended (“**IRDAI Investment Regulations**”), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer 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.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 2,500 lakhs and pension funds with a minimum corpus of ₹ 2,500 lakhs, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a

certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders, in consultation with the BRLM, in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Selling Shareholders, in consultation with the BRLM, may deem fit, without assigning any reasons thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

- (i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- (ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹1,000 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹1,000 lakhs.
- (iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- (iv) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.
- (v) Our Company and, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
 - (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹1,000 lakhs
 - (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹ 25,000 lakhs, subject to a minimum Allotment of ₹ 500 lakhs per Anchor Investor; and
 - (c) in case of allocation above ₹ 25,000 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 25,000 lakhs, and an additional 10 Anchor Investors for every additional ₹ 25,000 lakhs, subject to minimum Allotment of ₹ 500 lakhs per Anchor Investor.
- (vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
- (vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (viii) 50% of the Equity Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- (ix) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Office Price.
- (x) Neither the BRLM or any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLM) nor any "person related to the

Promoters or Promoter Group” shall apply in the Offer under the Anchor Investor Portion. For details, see “Offer Procedure” beginning on page 253.

- (xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLM, reserve the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, Selling Shareholders and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder’s responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Offer Period and withdraw or lower the size of their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Offer Period.

Do’s:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;

3. Ensure that you (other than Anchor Investors) have mentioned the correct details of your ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
4. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
5. UPI Bidder using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of the relevant Designated Intermediary;
6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
8. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
11. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021 and CBDT circular no.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the

respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;
22. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
23. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
24. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for ASBA Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;
25. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
26. The ASBA bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
27. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the UPI Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment,
28. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
29. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
30. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder’s ASBA Account;
31. UPI Bidders should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
32. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

33. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs
34. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
35. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
36. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;
37. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at www.sebi.gov.in) or such other websites as updated from time to time);
38. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
39. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
40. Bidders (other than Anchor Investors) ensure that only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism, where made available) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
41. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;
42. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected;
43. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 12:00 p.m. of the working Day immediately after the Bid/Issue Closing Date; and
44. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not submit a Bid using UPI ID, if you are not an UPI Bidder;

3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
10. Do not submit the Bid cum Application Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
11. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
14. Do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date in case of QIBs and Non-Institutional Bidders;
15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
17. If you are a UPI Bidder using the UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID, respectively;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors)
20. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
21. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors revise or withdraw their Bids until the Bid/Offer Closing Date;
23. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
24. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
25. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
26. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

27. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
28. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
29. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;
30. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
31. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
32. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
33. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
34. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders);
35. Bids uploaded by QIBs after 4:00 p.m. on the QIB Bid/Issue Closing Date and by Non-Institutional Bidders uploaded after 4:00 p.m. on the Bid/Issue Closing Date, and Bids by RIBs uploaded after 5:00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges. On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges; and
36. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For further details of Company Secretary and Compliance Officer, see “*General Information*” on page 61.

For helpline details of the Book Running Lead Manager pursuant to the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information –Book Running Lead Manager*” on page 63.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manners specified in the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

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 BRLM 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.

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 oversubscription, an allotment of not more than one per cent. of the Offer 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 Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹200,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “[●]”;
- (ii) In case of non-resident Anchor Investors: “[●]”.

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Bank and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering this Draft Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Marathi newspaper, (Marathi being the regional language of Maharashtra, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of under the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLM and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Marathi newspaper, (Marathi being the regional language of Maharashtra), each with wide circulation.

Copies of the above advertisements shall be made available on the website of the Company at www.gretexbroking.com.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated June 27, 2023 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated June 22, 2023 among CDSL, our Company and Registrar to the Offer.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who—

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 lakhs or with both.

Undertakings by our Company

Our Company undertakes the following:

- (i) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;
- (iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (vii) that if our Company and the Selling Shareholders, in consultation with the BRLM, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter;
- (viii) Promoters' contribution, if any, shall be brought in advance before the Bid / Offer Opening Date;
- (ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and
- (x) that except for the Pre-IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Undertakings by Selling Shareholders

Selling Shareholders undertakes the following in respect of themselves as a Selling Shareholder and Offered Shares:

- (i) that the Offered Shares are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer;
- (ii) that he/she/it is the legal and beneficial owner of and has clear and marketable title to, his/her/its portion of the Offered Shares and has full title to the Offered Shares;
- (iii) that he/she/it shall provide all support and cooperation as may be reasonably requested by our Company and the BRLM to the extent such support and cooperation is in relation to its Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchanges, the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Offered Shares;
- (iv) that he/she/it shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer;
- (v) that he/she/it will provide such assistance as may be required by our Company and BRLM acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant to the Offer and statements specifically made or confirmed by it in relation to himself as a Selling Shareholder;
- (vi) that he/she/it shall transfer its portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement; and
- (vii) that he/she/it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final approval for trading of the Equity Shares from all Stock Exchange where listing is sought has been received.

Utilisation of Offer Proceeds

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm and declare:

- (a) that all monies received from the Offer shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- (b) details of all monies utilised out of the proceeds from the Fresh Issue shall be disclosed, and continue to be disclosed till all the time any part of the proceeds from the Fresh Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised, or the form in which such unutilised monies have been invested; and
- (c) details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy (“**FDI Policy**”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on 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.

The FDI Policy issued by the DPIIT permits foreign investment upto 100% of paid-up equity share capital of non-banking financial companies under the automatic route subject to compliance of certain conditions mentioned in the FDI Policy. The Company will be required to make certain filings with the RBI after the completion of the Issue.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“**Rules**”) and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to

24 % if a special resolution to that effect is passed by the shareholders of the Company. The Company has passed no such shareholders' resolution.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DPIIT / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

SECTION IX: DISCRPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF THE ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalized terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, August 8, 2023 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

Applicability of Table 'F'

The regulation contained in Table 'F' of the First schedule to the Companies Act, 2013, so far as the same are applicable to a Company limited by shares, as defined in the Companies Act, 2013, shall apply to this Company in the same manner as if all such Regulations Table 'F' are specifically contained in the Articles, subject to the modifications herein contained.

SHARE CAPITAL AND VARIATION OF RIGHTS

Article II 1

- (1) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of the Memorandum each with power to consolidate, increase, reduce, subdivide the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.

The Share Capital of the Company shall be of two kinds, namely:-

- i. Equity Share Capital
 - with voting rights; or
 - with differential rights as dividend, voting or otherwise in accordance with the Act.
- ii. Preference share capital.
- iii. Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid-up on such equity shares respectively at the commencement of the winding up.
- iv. 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.

Article 2

- v. (i) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve,

provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.

- (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.
- (iv) Directors may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

Article 3

- vi. (i) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

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 rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.

The provision of this Article shall mutatis mutandis apply to debentures of the company.

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 rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.

- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the Company.

Article 4

- vii. 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.

Article 5

- viii. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent 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.

Article 6

- ix. (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.

Article 7

- x. 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.

Article 8

- xi. Subject to the provisions of Section 43 to 47, 55 and 62 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the general meeting creating the same as shall be directed and if no direction be given then as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said Sections with a preferential or qualified right to dividends and in distribution of assets of the Company and, subject to the provisions of Companies Act, with special right of voting and, subject to provisions of Section 55 of the Act, any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.
- xii. Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

Further Issue of Capital

Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of the increased share capital.

- (i) such further shares shall be offered to the person who at the date of offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date.
- (ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- (iii) The offer aforesaid shall 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 any other person and the notice shall contain a statement of this right.

- (iv) After the expiry of the time specified in notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company and members.
- (v) Notwithstanding anything contained in the preceding sub-clause, the Company may:
 - a) by a special resolution offer further shares to any person or persons, and such person or persons may or may not include the person/s who at the date of the offer, are the holders of the equity shares of the Company or to employees of the Company under the Scheme of employees' stock option; or
 - b) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to section 62(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.
 - c) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act, Rules and other applicable provisions of law.

Employee Stock Option Scheme

- d) The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules, and other applicable regulations framed by any regulator or authority, by whatever name called.
- e) **Debenture**

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
- f) **Directors may Allot Shares otherwise than for cash**

Subject to the provisions of the Act and these Articles, the Directors 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 in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.
- g) **Same as Original Capital**

Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, installments, transfers, transmission, forfeiture, lien, surrender voting and otherwise.
- h) **Issue of Depository Receipts**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.
- i) **Power to issue Shares with differential voting rights**

The Company shall have the power to issue Shares with such differential rights as to dividend, voting or otherwise, subject to the compliance with requirements as provided for the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 as amended, or any other law, circular, direction, guidelines as may be applicable to the Company from time to time.

j) **Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the Company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

Power to Issue Redeemable Preference Shares

- i) Subject to the provisions of Section 55 of the Act, the Company may issue preference shares which are or at the option of the Company are to be liable to be redeemed:

Provided that:

- a. No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;
 - b. no such shares shall be redeemed unless they are fully paid;
 - c. where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the capital redemption reserve account were paid up share capital of the Company.
- ii) Subject to the provisions of Section 55 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided in these Articles or by the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.
- iii) The redemption of preference shares under these provisions by the Company shall not be taken as reducing the amount of its authorized share capital.
- iv) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly, the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 403 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.

Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relate to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.

- v) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

Provision in Case of Redemption of Preference Shares

The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in case of redemption of part of the preference shares the following provisions shall take effect :

- a) The shares to be redeemed shall be determined by drawing of lots which the company shall cause to be made at its registered office or at such other place as the Directors may decide, in the presence of one Director at least; and
- b) Forthwith after every such drawing, the Company shall notify to the shareholder whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company or at such other place as the directors may decide at the time and on the date to be named against surrender of the Certificates in respect of the Shares to be redeemed and at the time and date so notified each such shareholder shall be bound to surrender and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The Shares to be redeemed shall cease to carry dividend from

the date named for payment as aforesaid. Where any such certificate comprises any shares, which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.

- c) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects *pari passu* with the preference shares then outstanding. PROVIDED in the event of its creating and/or issuing further preference shares ranking *pari passu* with the Preference Shares then outstanding the Company would do so only with the consent of the holders of not less than three-fourths of the preference shares then outstanding.
- d) The Redeemable Preference Shares shall not confer upon the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47 of the Act.
- e) The rights, privileges and conditions for the time being attached to the Redeemable Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

Convertible Preference Shares

Subject to the provisions of the Act and the guidelines issued by the Central Government from time to time under the Provisions of the Act, the Company may issue Convertible Preference Shares (CPS) in such manner as the Board of Directors of the Company may decide and specifically provide for:

- (i) the Quantum of issue;
- (ii) the terms of the issue with particular reference to the conversion of CPS into the equity shares of the company;
- (iii) the rate of cumulative preferential dividend payable on CPS, the voting rights to be attached to CPS and any other terms and conditions which may be attached to the issue of CPS as permissible in law.

SHARES AND CERTIFICATES

Issue of Further Shares not to Affect Right of Existing Shareholders

The right or privileges conferred upon the holders of the shares of any class issued with preference 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 or modified or affected by the creation or issue of further shares ranking *pari passu* therewith.

Provisions of Section 43, 45, 46 and 47 of the Act to apply

The provisions of Section 43, 45, 46 and 47 of the Act in so far as the same may, be applicable shall be observed by the Company.

Register of Members and Debenture holders

- a) The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Section 88 of the Act and Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company may also keep foreign Register of Members and Debenture holders in accordance with Section 88 of the Act.
- b) The Company shall also comply with the provisions of Sections 92 of the Act as to filing of Annual Returns.
- c) The Company shall duly comply with the provisions of Section 94 of the Act with regards to keeping of the Registers, indexes, copies of Annual Returns and giving inspections thereof and furnishing copies thereof.
- d) Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

Restriction on Allotment

The Board shall observe the restriction as to allotment of shares to the public contained in Section 39 of the Act shall cause to be made the return as to allotment provided for in Section 39 of the Act.

Shares to be Numbered Progressively and no share to be subdivided

The shares in the capital shall be numbered progressively accordingly to the several denominations and except in the manner herein before mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Dematerialised Shares

Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.

Shares at the Disposal of the Directors

Subject to the provisions of Section 62 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons. In such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 53 of the Act) at a discount and at such time as they may from time think fit and with the sanction of the Company in General Meeting to give to any person the option to all for any shares either at par or at a premium during such time and for such consideration as the Directors may think, fit, and may issue and allot shares in the Capital of the Company on payment in full or part for any property sold and transferred or for services rendered to the Company in the conduct of its business, and any shares which may be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Every Shares Transferable etc.

- a) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by these Articles.
- b) Each share in the Company shall be distinguished by its appropriate number.
- c) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, *prima facie*, evidence of the title of the member of such shares.

Application of Premium Received on Issue of Shares

- a) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of value of the premium on these shares shall be transferred to an account to be called “the securities premium account”, and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.
- b) The securities premium account may, notwithstanding, anything in clause (a) above, be applied by the Company:
 1. In paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
 2. In writing off the preliminary expenses of the Company;
 3. In writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or
 4. In providing for the premium payable on the redemption of any redeemable preference shares or any debentures of the Company;
 5. For the purchase of its own shares or other securities as provided under Section 68 of the Act.

Sale of Fractional Shares

- (i) If and wherever, as the result of issue of new or further shares or any consolidation or sub-division of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and these Articles if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst to members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the applications 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.
- (ii) The Board shall have power 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.

Acceptance of Shares

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose names is on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of Section 39 and 40 of the Act in so far as they are applicable.

Deposits and Calls etc. to be a Debt Payable immediately

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, immediately, on the insertion of the name of the holder of such shares, become a debt, due to and recoverable by the Company from the Allottee thereof, and shall be paid by him accordingly.

Company not Bound to Recognize any Interest in Shares other than of Registered Holder

Save as herein provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami, or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof and the provision of Section 88 of the Act shall apply.

Declarations of Person Not Holding Interest in Shares

When any declaration is filed with the Company under the provisions of Section 89 of the Act by any holder of shares who does not hold beneficial interest in such shares specifying the particulars of the person holding beneficial interest in such shares or by a person who holds beneficial interest in any shares of the Company but is not the registered holder thereof, the Company shall make a note of such declaration in its register of members and file, within 30 days from the date of receipt of the declaration by it, a return with the registrar with regard to such declaration.

When any declaration is filed with the Company under the provisions of Section 90 of the Act by any individual who is Significant Beneficial Owner shall file a declaration in the prescribed form to the Company within time period stipulated under the Act, the Company shall file a return in the prescribed format with the registrar in respect of such declaration within 30 days from the date of receipt of such declaration.

The Company shall maintain a register of Significant Beneficial Owner in Form No. BEN-3, which shall be open for inspection in accordance with the provisions of the Act.

- (vi) For the purpose of this Article, beneficial interest in a share includes includes, directly or indirectly, through any contract, arrangement or otherwise, the right or entitlement of a person alone or together with any other person to—
 - (i) exercise or cause to be exercised any or all of the rights attached to such share; or
 - (ii) receive or participate in any dividend or other distribution in respect of such share

Issue of Certificates of Shares to be Governed by Section 46 of the Act etc.

- a) The issue of certificates of shares or of duplicate or renewal of certificates of shares and/or advices/certificates issued upon sub-division, split, consolidation and exchanges shall be governed by the provisions of Section 46 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or the as well as the Listing Regulations, as may be applicable or any other law. The Directors may also comply with the provisions of such rules or regulations of any stock exchange where the shares of the Company may be listed from the time being.
- b) The Certificate of title of shares shall be issued under the Seal of the Company, if any, and shall be signed by such Directors or Officers or other authorized persons as may be prescribed by Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.
- c) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 46 of the Act and the Listing Regulations.

Limitation of Time of Issue of Certificate

- a) Every member shall be entitled, without payment, to one Certificate for all the shares of each class or denomination registered in his name, or after payment of such fees as the Board may approve, to several certificates, each for one or more of such shares and the Company shall complete and deliver such Certificates within the time provided by Section 56 of the Act or the Listing Regulations, as may be applicable, unless the conditions of issue thereof otherwise provide. Every Certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors shall prescribe or approve provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.
- b) The Company may not entertain any application for split of share/debenture certificate for less than 100 shares/debentures (all relating to the same series) or marketable lots whichever is lower.
- c) Notwithstanding anything contained in Clause (a) above the Directors shall, however, comply with such requirements of the Stock Exchange where shares of the Company may be listed or such requirements of any rules made under the Act or such requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.

Issue of new Certificates in Place of one defaced Lost or Destroyed

If any certificate be worn out, defaced, mutilated or torn if there be no, further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu, thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on; execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under this Article shall be issued without payment of fees. Out of pocket expenses incurred by the Company in investing the evidence as to the loss or destruction shall be paid to the Company if demanded by the directors.

Provided that notwithstanding what is stated above the directors shall comply with such Rules or Regulation or requirements of any stock Exchange including the Listing Regulations or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, on Rules applicable in this behalf.

The provisions of the Article under this heading shall mutatis mutandis apply to debentures of the Company.

Unclaimed Securities

The Company shall comply with the provisions of the Listing Regulations while dealing with securities that remain unclaimed and the corporate benefits attached thereto. The Company shall maintain appropriate unclaimed suspense accounts and demat suspense accounts, as may be required to hold unclaimed securities on behalf of allottees and issue such reminders to the allottees as may be required under the Listing Regulations. However, shares in respect of which unpaid or unclaimed dividend has been transferred to the account of the Company in terms of Section 124(5) of the Act shall also be transferred to the Company as per the provisions of Section 124(6) of the Act.

UNDERWRITING COMMISSION AND BROKERAGE

Power to pay Certain Commission and Prohibition of Payment of All Other Commission, Discounts etc.

- A. The company may pay commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, subject to the following conditions, namely: -
 - a) the payment of such commission shall be authorized in the company's articles of association;
 - b) the commission may be paid out of proceeds of the issue or the profit of the company or both;
 - c) the rate of commission paid or agreed to be paid shall not exceed, in case of shares, five percent of the price at which the shares are issued or a rate authorised by the articles, whichever is less, and in case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued, or as specified in the company's articles, whichever is less;
 - d) the prospectus of the company shall disclose—
 - i) the name of the underwriters;

- ii) the rate and amount of the commission payable to the underwriter; and
 - iii) the number of securities which is to be underwritten or subscribed by the underwriter absolutely or conditionally. Lieu of Prospectus and filed before the payment of the commission with the Registrar and where a circular or notice not being a prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice;
- (e) there shall not be paid commission to any underwriter on securities which are not offered to the public for subscription;
- B. Save as aforesaid and save as provided in Section 53 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance, to any person in consideration of:
- a) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company or;
 - b) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid by as the nominal purchase money or contract price, or otherwise.
- C. Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.
- D. The commission may be paid or satisfied (subject to the provisions of the Act and these articles) in cash, or in shares, debentures or debenture-stocks of the Company.

LIEN

Article 9

- xiii. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
- xiv. The fully paid-up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

Article 10

- xv. 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.

Article 11

- xvi. (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.

Article 12

- xvii. (i) The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares and/or debentures at the date of the sale.
- (ii) The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute or Applicable Law required) be bound to recognize equitable or other claim to, or equitable, contingent, future or partial interest in, such shares (including the fractional part of a shares) or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

CALL ON SHARES

Article 13

- xviii. The Board may from time to time and subject to Section 49 of the Act and subject to the terms on which any shares/debentures may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members/debenture-holders in respect of all moneys unpaid on the shares/debenture held by them respectively and each member/debenture holder or his heir's executor's or administrators shall pay the amount of every call so made on him to the Company and at the times and places appointed by the Board and shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting. A call may be made payable by installments as may be decided by the Board. A call may be postponed revoked as the Board may determine.

Article 14

- xix. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed and may be made payable by members/debenture-holders on a subsequent date to be specified by the Directors.

Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the Board Meeting or General Meeting as it deem fit.

Article 15

- xx. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Article 16

- xxi. (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 percent 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.

Article 17

- xxii. (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.

Article 18

- xxiii. 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.

- xxiv. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- xxv. No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.
- xxvi. The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company, to the extent applicable.

TRANSFER OF SHARES

Article 19

- xxvii. i) The Company shall keep a book to be called the “Register of Transfers” and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.
- ii) The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
- iii) 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.
- iv) The Company shall use a common form of transfer.
- iv) Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

Article 20

- xxviii. Subject to the provisions of Section 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company.

The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

Article 21

- xxix. 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.

Article 22

xxx. 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 day at any one time or for more than forty-five days in the aggregate in any year.

xxxi. Registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

xxxii. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

xxxiii. i) Subject to the provision of Section 58 of the Act and subject to the provisions of Securities Contract (Regulations) Act, 1956 and the rules and regulations made there under, the Directors may, at their own absolute and uncontrolled discretion, decline by giving reasons to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases Directors shall within 15 days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Moreover, the Directors shall not register a transfer if any statutory prohibition or order prohibits a transfer or when a transferor objects to the transfer. In the event the Company does not effect transfer of securities within the stipulated 15 days or fails to communicate the refusal of the transfer/valid objection to the transfer within 15 days to the transferee, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of delay as specified under the Listing Regulations.

ii) Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company.

TRANSMISSION OF SHARES

Article 23

xxxiv. (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.

Article 24

xxxv. (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.

(iii) 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.

Article 25

- xxxvi. (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.
- (iv) 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.

Article 26

xxxvii. 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.

FORFEITURE OF SHARES

Article 28

xxxviii. a) If any member or debenture holder fails to pay the whole or any part of any call or installment or any money due in respect of any share or debentures either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or debenture holder or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Article 29

b) The notice shall name a day not being less than fourteen days from the date of the services of the notice and a place or places, on and which such call, or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or installment or such part or other moneys is or are payable will be liable to be forfeited. 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.

Article 30

xxxix. In Default of Payment Shares or Debentures to be Forfeited

If the requirements of any such notice as aforesaid are not complied with any share/debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company. In respect of the payment of any such money, shall preclude, the Company from thereafter proceeding to enforce a forfeiture of such shares as

herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actually paid before the forfeiture.

Article 31

- xl. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Article 32

- xli. (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.

Article 33

- xlii. (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.

Article 34

- xliii. The provisions of these regulations as to forfeiture shall apply in the case of non- payment 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

Article 35

- xliv. The Company may from time to time by special resolution, subject to confirmation by the Court or Tribunal as applicable and subject to the provision of Sections 52, 55 and 66 of the Act at the relevant time reduce its share capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorized by law in particular without prejudice to the generality of the power may be:
 - (a) extinguishing or reducing the liability on any of its shares in respect of shares capital not paid up;
 - (b) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or
 - (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

Article 36

- xliv. Subject to the provisions of section 61, the Company may, by special resolution,-
- (a) increase its authorized share capital by such amount as it think expeditiously;
 - (b) amount than its existing shares. Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall have effect unless it is approved by the Court or Tribunal as applicable
 - (c) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (d) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares;
 - (e) 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.

Article 37

xlvi. 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.

Article 38

- xlvii. 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

Article 39

- (xlvi) (a) Any general meeting may resolve that any amount standing to the credit of the Securities Premium Account or the Capital Redemption Reserve Account or any moneys, investment or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law, form the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalized. Any such amount (excepting the amount standing to the credit of the Securities Premium Account and/or the Capital redemption Reserve Account) may be capitalized:

The sum aforesaid shall not be paid in cash but shall be applied, either in or towards—

- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - (iv) for the purchase of its own shares or other securities subject to the provisions of Section 68 of the Act.
 - (v) 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;
- b) Such issue and distribution under Sub-clause (a) (i) above and such payment to the credit of unpaid share capital sub-clause (a) (ii) above shall be made to, among and, in favor of the members of any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub-clause (a) (ii) above shall be made on the footing that such members become entitled thereto as capital;
- c) The Directors shall give effect to any such resolution and apply portion of the profits, General Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under sub-clause (a)(i) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause above provided that no such distribution or payment shall be made unless recommended by Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.

Article 40

- d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates or coupons and fix the value for distribution of any specific assets and may determine that such payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, fractional certificates or coupons, debentures, debenture-stock; bonds or other obligations in trustees upon such trusts for the person entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debenture, debenture-stock, bonds or other obligations and fractional certificates or coupons or otherwise as they may think fit.
- e) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and in respect of the partly paid shares the sums so applied in the extinguishments or diminution of the liability on the partly paid shares shall be so

applied *prorata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

f) When deemed requisite a proper contract shall be filed with the Registrar of Companies in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

BUY-BACK OF SHARES

Article 41

(xlix) Notwithstanding anything contained in the Articles, but subject to the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Act as amended from time to time and subject to such regulations, conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own securities, whether or not there is any consequent reduction of capital. If and to the extent permitted by law, the Company shall have the power to re-issue the securities so bought back.

GENERAL MEETING

Article 42

(l) All general meetings other than annual general meeting shall be called extra- ordinary general meeting.

Article 43

(li) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting in terms of Section 101 (1) of the Companies Act 2013 by giving not less than clear twenty-one (21) days' notice either in writing or through electronic mode.

Provided a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five percent of the members entitled to vote at such 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.

iii) Every annual general meeting shall be called at any time during business hours that is between 9 am to 6 pm, on a day that is not a National Holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated, and the notice calling the meeting shall specify it as the annual general meeting.

PROCEEDINGS AT GENERAL MEETING

Article 44

(lii) (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.

Article 45

(liii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

Article 46

(liv) 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.

Article 47

- (lv) 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

Article 49

- (lvi) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

Article 50

- (lvii) Subject to any rights or restrictions for the time being attached to any class or classes of shares,-
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

Article 51

- (lviii) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

Article 52

- (lix)(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.

Article 53

- (lx) 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.

Article 54

- (lxi) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

Article 55

- (lxii) 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.

Article 56

- (lxiii) (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

Article 57

- (lxiv) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holder, all holders) shall not appoint more than one person as proxy. A proxy so appointed shall not have any right to speak at the meeting. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Article 58

- (lxv) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. A proxy shall not be entitled to vote except on a poll. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights:

Article 59

- (lxvi) 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.

In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member.

Board of Directors

Article 60

- (lxvii) Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen). The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act. The Board shall have the power of appoint the Chairman. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations.

NOMINEE DIRECTOR

The Board may appoint any person as a director nominated by any institution, in pursuance of the provisions of any law for the time being in force or of any agreement to which the Company is a party or by the Central Government or the State Government(s) by virtue of its shareholding in the Company and such person or persons or Directors is / are hereinafter referred to as "Nominee Director/s", on the Board of the Company and such persons may be remove from such office any person or persons "so appointed and to appoint any person or persons" in his or their place/s. The Board may also agree that any such Nominee Director, or Nominee Directors may be removed from time to time by the institution/Central Government/State Government(s) entitled to appoint

or nominate them and such institution/Central Government/State Government(s) may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever.

At the option of such institution/Central Government/State Government(s) such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of such institution/Central Government/State Government(s) such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to such institution or so long as such institution holds Debentures in the Company as a result of direct subscription or private placement or so long as such institution holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee the moneys owing by the Company to such institution is paid off.

The Nominee Director/s appointed under this Article will be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. Such institution/Central Government/State Government(s) shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to such institution/Central Government/State Government(s) and the same shall accordingly be paid by the Company directly to such institution/Central Government/State Government(s). Any expenses that may be incurred by such institution/Central Government/State Government(s) or such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to such institution/Central Government/State Government(s) or as the case may be to such Nominee Directors.

Provided that if any such Nominee Director is an officer of such institution/Central Government/State Government(s) the sitting fees, in relation to such Nominee Director shall also accrue to such institution and the same shall accordingly be paid by the Company directly to such institution/Central Government/State Government(s).

SPECIAL DIRECTOR

In connection with any collaboration arrangement with any company or corporation or firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorize such Company, Corporation, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time, any person or persons as Director or Directors of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangements or any time thereafter.

The Collaborator may at any time and from time to time remove any such Special Director appointer by it and may at the time of such removal and also in the case of death or resignation of the person so appointed at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.

It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one Collaborator is so entitled there may at any time be as many Special Director as the Collaborators eligible to make the appointment.

Limit on Number of Non-Retiring Directors

Subject to the provisions of Section 152 of the Act, the number of Directors appointed under Articles 137, 138 and 139 shall not exceed in the aggregate one-third of the total number of Directors, excluding Independent Directors, for the time being in office.

Appointment of Independent Director

Subject to the provisions of Section 149 (6) of the Act, Board of Directors shall have power at any time to appoint any person as an Independent Director to the Board. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Listing Regulations.

Appointment of Whole-Time Director

Subject to the provisions of Section 152 of the Act, Board of Directors shall have power at any time to appoint any person as an Whole-Time Director to the Board.

Appointment of Alternate Director

The Board may appoint an alternate Director not being a person holding any alternate directorship for any other directors in the Company or holding directorship in the Company, 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 so appointed shall not hold office as such for a period longer than that permissible to the Original Director in whose place he had been appointed and shall vacate if and when the Original Director returns to India.

Appointment of Additional Director

Subject to the provisions of Section 161 of the Act, Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only up to the next annual general meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier and shall then be eligible for reappointment.

Appointment of Women Director

The Company shall have such number of Woman Director on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable.

Appointment of Director to fill the Casual Vacancy.

Subject to the provisions 161 of the Act, the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the nominal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

Individual Resolution for Director Appointment

At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automotive reappointment of retiring director by virtue of these articles and the Act in default of another appointment shall apply.

- (lxviii) (i) Subject to the provisions of Act, a Managing Director or a director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by the other.

Article 61

Director Not to Act when Number Falls Below Minimum

When the number of Directors in Office falls below the minimum fixed above, the Directors, shall not act except in emergencies or for the purposes of filling up vacancies or for summoning a general meeting of the Company

and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.

Eligibility

A person shall not be capable of being appointed a Director if he has the disqualifications referred to in Section 164 of the Act.

Directors Vacating Office

The office of a Director shall be vacated if:

- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
- (ii) he applied to be adjudicated an insolvent;
- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) he fails to pay any call-in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184.

Resignation of Directors

A Director who holds office or other employment in the company shall, when he resigns his office, provide a notice in writing to the company.

Removal of Directors

- (i) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any director other than ex-officio directors or Special Directors or Debenture Directors or a Nominee Director or a director appointed by the Central Government in pursuance of Section 242 of the Act, before the expiry of his period of office.
- (ii) Special notice as provided by Section 115 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (iii) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (iv) Whether notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representations are received by it too late for it do so:

- (i) In the notice of the resolution given to members of the Company state the fact of representations having been made, and
 - (ii) send a copy of the representation to every member of the Company whom notice of the meeting is sent (whether before or after receipt of the representations by the company), and if a copy of representations, is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be provided orally) require that the representations be read out at the meeting, provided that copies of the representations need not be sent or read out at the meeting if so directed by the Court.
- (v) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board in pursuance of Section 161 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been under clause (b) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- (vi) If the vacancy is not filled under clause (e) above it may be filled as a casual vacancy in accordance with the provisions, in so far as they may be applicable, of Section 161 of the Act, and all the provisions of that Section shall apply accordingly;
- (vii) Nothing contained in this Article shall be taken:
- a) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or
 - b) as derogating from any power to remove a Director which may exist apart from this Article.
- (viii) The Company shall take steps to fill the vacancy caused by the resignation/removal of an independent director by replacing such independent director with a new independent director within three months of the occurrence of such vacancy or at the immediate next meeting of the of the Board, whichever is later or as may otherwise be prescribed by the Listing Regulations

Directors may Contract with Company

Subject to the restrictions imposed by these Articles and by Section 179, 180, 185, 186, 188, 189, 196 and any other provisions of the Act, no Director, Managing Director, or other officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, managing director, Joint Managing Director, Executive Director other officer or employee shall be in any way interested, be avoided, nor shall be Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director, officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with provisions or Section 184 of the Act where that section be applicable.

Disclosure of Directors' Interest

- (1) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern of interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Act.
- (2) (a) In the case of proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he be so concerned or interested.
- (b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

- (3) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or two or more of Directors together holds or hold not more than two percent of the paid up share capital in other company.

Article 62

The Board may pay all expenses incurred in getting up and registering the Company.

Article 63

- (lxix) 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 provision of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

Article 64

- (lxx) 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.

Article 65

- (lxxi) 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.

Article 66

- (lxxii) (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

Article 67

- (lxxiii) (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.

Article 68

- (lxxiv) (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

Article 69

- (lxxv) 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.

Article 70

- (lxxvi) (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.

Article 71

- (lxxvii) (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Article 72

- (lxxviii) (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.

Article 73

- (lxxix) (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.

Article 74

- (lxxx) 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.

Article 75

- (lxxx1) 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.

Article 76

- (i) In case of a one person company;
- (ii) Where the company is having only one director, all the businesses to be transacted at the meeting of the board shall be entered into the minutes book maintained under Section 18;
- (iii) Such minutes book shall be signed and dated by the director;
- (iv) The resolution shall become effective from the date of signing such minutes by the director.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

Article 77

(lxxxii) 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.

Article 78

(lxxxiii) 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

Article 79

- (lxxxiv) (i) The Board of Directors may provide a Common Seal for the purpose of the Company, shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for its safe custody for the time being under such regulations as the Board may prescribe.
- (ii) The Seal shall never be used except by the authority, of the Directors or a committee of the Directors, previously given and every deed or other instrument to which a seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company or by an officer duly authorized in that behalf by resolution of the Board, be signed by one Directors at least in whose presence the seal shall have been affixed, if any, provided nevertheless that the certificate of shares issued by the Company shall be sealed and signed as provided in the next following Article.

Provided however that the certificates of shares shall be signed in the name manner as the certificates of the shares required to be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules 2014 and their statutory modification for the time being in force.

- (iii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDEND AND RESERVE

Article 80

(lxxxv) No Dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of money provided by the Central Government or State Government for the payment of dividend in pursuance of a Guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten per cent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf. Provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded.

PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company propose to declare out of the accumulated profits by the Company in previous years and transferred by it to the free reserve, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf.

Article 81

(lxxxvi) 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.

Article 82

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. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Article 83

(lxxxvii)(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.

(lxxxviii) (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.

(iv) Any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in profit, right to dividend subsequently declared.

Article 84

(lxxxix) 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.

Article 85

(xc)(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Article 86

- (xci) 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.

Article 87

- (xcii) 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.

Article 88

- (xciii) No dividend shall bear interest against the Company.
- (xciv) (i) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".
- (ii) Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.
- (iii) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.
- (xcv) No unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

ACCOUNTS

Article 89

XXI. REGISTERS TO BE MAINTAINED BY THE COMPANY

- (xcvi) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

Maintenance and inspection of documents in electronic form

Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.—

- (a) Required to be kept by a company; or
- (b) Allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by central government by the Central Government.

Inspection of Registers

Subject to provisions of the Act and the provisions in the Articles, the Registers maintained under the Act and the minutes of all proceedings of General Meetings shall be open to inspection during any working day during business hours and extracts may be taken there from and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company i.e., by any member, debenture holder, other security holder or beneficial owner

without payment of fee and by any other person on payment of fee of Rupees 50/- for each inspection. Subject to provisions of the Act and the provisions in the Articles, the copies of entries in the Registers maintained under the Act shall be furnished to the persons entitled to the same on payment of Rs. 10/- for each page.

XXII. ACCOUNTS

(xcvii)

- (i) The provisions of Sections 128 to 138 of the Act and the relevant accounting standards shall be complied with in so far as the same is applicable to the Company.
- (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

Article 90

(xcviii) Subject to the provisions 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

Article 91

(xcix) Every Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorised representative of the Company shall be indemnified by the Company and for this purpose may have relevant third party insurances procured by the Company in their favour, for all costs, fees, penalty, deposit, losses and expenses (including travelling expenses) which such Director, Manager, Secretary, Officer or employee or authorized representative may suffer or is likely to suffer in any way during the course of discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Provided that no Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company shall be entitled to be indemnified by the Company or have insurance procured therefor in circumstances where any amounts directly or indirectly arise out of or in connection with any fraud, gross negligence, breach of trust or material and willful default on the part of such Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company.

Director and Other Officers Not Responsible for the Acts of Others

Subject to the provisions of the Act, no Director, Managing Director, Whole-time Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the nominees of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of

any person, company or corporation, within whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties or in relation thereto, unless the same happens through his own dishonesty.

An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

Article 92

Social Objective

The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

General Power

Where any provisions of the said Act or the Rules or any other applicable laws provide that the Company shall do such act, deed, or thing or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf

SECRECY CLAUSE

- (c) 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.

Secrecy Clause

- (i) Every Director, Key Managerial Personnel, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Director, before entering upon his duties sign a declaration pleading himself to observe a strict secrecy respecting all transactions and affairs of the company with the customers and the state of the accountants with individuals and in matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (ii) No Member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts and documents which have been 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 the Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Draft Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. IST and 5 p.m. IST on all Working Days from date of the Draft Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other Applicable Law.

Material Contracts to the Offer

1. Offer Agreement dated December 14, 2023 entered into between our Company, the Selling Shareholders and the BRLM.
2. Registrar Agreement dated December 14, 2023 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLM, Banker(s) to the Offer and the Syndicate Members.
4. Share Escrow Agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholders, the BRLM, Registrar to the Offer and the Syndicate Members.
6. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.
7. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

Material Documents

1. Certified copies of Memorandum of Association and Articles of Association of the Company, as amended until date.
2. Certificate of incorporation dated April 29, 2010.
3. Fresh Certificate of incorporation consequent upon change of state of registered office from the state of West Bengal to Maharashtra dated January 6, 2017.
4. Fresh certificate of incorporation consequent upon change of name dated September 1, 2017.
5. Fresh certificate of incorporation dated September 4, 2023 issued upon conversion from Private Company to Public Company and consequent upon change in name of the Company from “**Gretex Share Broking Private Limited**” to “**Gretex Share Broking Limited**”.
6. Resolution of the Board of Directors of the Company, dated December 7, 2023 approving the Offer and other related matters.
7. Resolution of the Shareholders of the Company dated December 11, 2023 approving the Offer and other related matters.
8. Resolution of the Board of Directors of the Company dated December 14, 2023 taking on record the approval for the Offer for Sale by the Selling Shareholders.
9. Resolution of the Board of Directors of the Company dated December 14, 2023 approving the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.
10. Shareholders’ Resolutions dated August 8, 2023 approving the terms of appointment and remuneration of Arvind Harlalka, Managing Director of the Company, Alok Harlalka, Joint Managing Director of the Company and Deepak Navinchandra Shah, Whole-time Director of the Company.

11. Consent letters and Transmittal letters dated December 13, 2023 from Sashi Harlalka, Sumeet Harlalka and Alok Harlalka HUF, as Selling Shareholders in relation to the Offer for Sale.
12. Consent dated December 14, 2023 to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditors, and for inclusion of their examination report dated December 7, 2023 on examination of Restated Consolidated Financial Statements of the Company and the statement of possible special tax benefits in the form and context in which it appears in this Draft Red Herring Prospectus.
13. Examination Report dated December 7, 2023 of the Statutory Auditors on the Restated Consolidated Financial Statements.
14. Copies of annual reports of the Company for three Financial Years, i.e., Financial Years 2023, 2022 and 2021 and audited financials for Financial Year 2023.
15. Statement of special tax benefits dated December 11, 2023 from the Statutory Auditors included in this Draft Red Herring Prospectus.
16. Certificate on Basis of Offer Price issued by Gupta Agarwal & Associates, Chartered Accountants dated December 14, 2023.
17. Certificate on Key Performance Indicators in respect of the Basis for Offer Price issued by Gupta Agarwal & Associates, Chartered Accountants dated December 14, 2023.
18. Resolution of the Audit Committee dated December 7, 2023 approving our key performance indicators.
19. Consents of our Directors, Bankers to our Company, the BRLM, Registrar to the Offer, legal counsel, Syndicate Members, Escrow Collection Bank(s), Refund Banks(s), Public Offer Account Banks(s), Company Secretary and Compliance Officer of our Company, Chief Financial Officer, as referred to act, in their respective capacities.
20. Letter dated September 7, 2023 pursuant to which our Company appointed CareEdge Advisory for providing the CareEdge Report.
21. Consent letter dated December 11, 2023 from CareEdge Advisory to use their report titled “Industry Report on Capital Markets and Stock Broking”.
22. Industry report entitled Industry Report on Capital Markets and Stock Broking dated December 2023, prepared by CareEdge Advisory.
23. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.
24. Tripartite Agreement dated June 27, 2023 among our Company, NSDL and the Registrar to the Offer.
25. Tripartite Agreement dated June 22, 2023 among our Company, CDSL and the Registrar to the Offer.
26. Due diligence certificate to SEBI from the BRLM, dated December 14, 2023.
27. SEBI final observation letter number [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

The Material Documents mentioned above have been made available for inspection on the website of the Company – <https://gretexbroking.com/>.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Alok Harlalka
Chairman and Joint Managing Director
Place: Mumbai
Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Arvind Harlalka

Managing Director

Place: Mumbai

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Deepak Navinchandra Shah

Whole-time Director

Place: Mumbai

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Vivek Joshi
Independent Director
Place: Mumbai
Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Anjali Vikas Sapkal

Independent Director

Place: Mumbai

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Jiten Talakchand Shah

Independent Director

Place: Mumbai

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Navdeep Nigam

Independent Director

Place: Mumbai

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY

Deepak Navinchandra Shah

Chief Financial Officer

Place: Mumbai

Date: December 14, 2023

DECLARATION BY ALOK HARLALKA HUF AS SELLING SHAREHOLDER

Alok Harlalka HUF, hereby certifies and confirm that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as the Selling Shareholder and its portion of the Offered Shares, are true and correct. Alok Harlalka HUF assumes no responsibility for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF ALOK HARLALKA HUF

Authorised Signatory: *Alok Harlalka*

Designation: *Karta*

Selling Shareholder

Place: Mumbai

Date: December 14, 2023

DECLARATION BY SASHI HARLALKA AS SELLING SHAREHOLDER

The undersigned Selling Shareholder hereby certifies, confirms and declares that all statements and undertakings made or confirmed by her in this Draft Red Herring Prospectus about or in relation to herself as the Selling Shareholder and her portion of the Offered Shares, are true and correct. The undersigned Selling Shareholder assumes no responsibility for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER OF THE COMPANY

Sashi Harlalka

Selling Shareholder

Place: Mumbai

Date: December 14, 2023

DECLARATION BY SUMEET HARLALKA AS SELLING SHAREHOLDER

The undersigned Selling Shareholder hereby certifies, confirms and declares that all statements and undertakings made or confirmed by him in this Draft Red Herring Prospectus about or in relation to himself as the Selling Shareholder and his portion of the Offered Shares, are true and correct. The undersigned Selling Shareholder assumes no responsibility for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER OF THE COMPANY

Sumeet Harlalka

Selling Shareholder

Place: Mumbai

Date: December 14, 2023