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Red Herring Prospectus

Dated: September 12, 2024

Please read Section 26 & 32 of the Companies Act, 2013

100% Book Built Issue

SWEET DREAMS

S D RETAIL LIMITED

(Formerly known as S D Retail Private Limited)

CIN: U52520GJ2004PLC056076

Registered Office	Contact Person	Email and Telephone	Website
C-929, Stratum at Venus ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi, Ahmedabad, Gujarat -380006, India	Ms. Sakshi Singh Chauhan, Company Secretary and Compliance Officer.	Tel. No.: +91 7043106787 E-mail: info@sweetdreamsindia.com	www.sweetdreams.in

PROMOTERS OF THE COMPANY:

INDIVIDUAL PROMOTER: MR. HITESH PRAVINCHANDRA RUPARELIA AND MR. UTPALBHAI PRAVINCHANDRA RUPARELIA
CORPORATE PROMOTER: M/S. SWEET DREAMS LOUNGEWEAR (INDIA) LLP (FORMERLY KNOWN AS SWEET DREAMS LOUNGEWEAR (INDIA) PRIVATE LIMITED) AND M/S. GRACE GARMENTS LLP (FORMERLY KNOWN AS GRACE GARMENTS LIMITED)

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	49,60,000 Equity Shares of ₹ [●]/- each.	Nil	[●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED. For details in relation to share Reservation among QIBs, NIIs and RIIs, see "Issue Structure" on page 251 of this Red Herring Prospectus.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10.00 each. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 114 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to chapter titled "Risk Factors" beginning on Page No. 27 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 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.

LISTING

The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 BEELINE CAPITAL ADVISORS PRIVATE LIMITED	Mr. Nikhil Shah	Email: mb@beelinemb.com Tel. No.: 079 4840-7357

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 KFIN TECHNOLOGIES LIMITED	Mr. M Murali Krishna	Email: all.ipo@kfintech.com Tel. No.: +91 40 6716 2222

BID/ISSUE PROGRAMME

ANCHOR INVESTOR PORTION ISSUE OPENS/CLOSES ON:	THURSDAY, SEPTEMBER 19, 2024*
BID/ISSUE OPENS ON:	FRIDAY, SEPTEMBER 20, 2024
BID/ISSUE CLOSES ON:	TUESDAY, SEPTEMBER 24, 2024

*Our Company in consultation with the BRLM consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

SWEET DREAMS

S D RETAIL LIMITED
(Formerly knowns as S D Retail Private Limited)
CIN: U52520GJ2004PLC056076

Our Company was originally incorporated as “S D Retail Private Limited” vide registration no. 146313 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 14, 2004 issued by Registrar of Companies, Mumbai, Maharashtra. Further, the registered office of our Company was shifted from Mumbai, Maharashtra to Ahmedabad, Gujarat w.e.f. February 09, 2009. Subsequently our Company was converted into Public Limited Company and name of company was changed from “S D Retail Private Limited” to “S D Retail Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Processing Centre. For further details, please refer to chapter titled “History and Corporate Structure” beginning on page 171 of this Red Herring Prospectus.

Registered Office: C-929, Stratum at Venus ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi, Ahmedabad, Gujarat -380006, India
Tel No.: +91 7043106787; **Email:** info@sweetdreamsindia.com, **Website:** www.sweetdreams.in
Contact Person: Ms. Sakshi Singh Chauhan, Company Secretary and Compliance Officer.

OUR PROMOTERS: INDIVIDUAL PROMOTER: MR. HITESH PRAVINCHANDRA RUPARELIA AND MR. UTPALBHAI PRAVINCHANDRA RUPARELIA
CORPORATE PROMOTER: M/S. SWEET DREAMS LOUNGEWEAR (INDIA) LLP (FORMERLY KNOWN AS SWEET DREAMS LOUNGEWEAR (INDIA) PRIVATE LIMITED) AND M/S. GRACE GARMENTS LLP (FORMERLY KNOWN AS GRACE GARMENTS LIMITED)

THE ISSUE	
INITIAL PUBLIC ISSUE OF UPTO 49,60,000 EQUITY SHARES OF RS. 10/- EACH (“EQUITY SHARES”) OF S D RETAIL LIMITED (“SDRL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. ● /- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. ● /- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO RS. ● LAKHS (“THE ISSUE”), OF WHICH UPTO 2,50,000 EQUITY SHARES OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. ● /- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. ● /- PER EQUITY SHARE AGGREGATING TO RS. ● LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 47,10,000 EQUITY SHARES OF RS. 10/- EACH INCLUDING A SHARE PREMIUM OF RS ● /- PER EQUITY SHARE AGGREGATING TO RS. ● LAKH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.49% AND 25.16%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹10.00 EACH. THE PRICE BAND WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER I.E. FINANCIAL EXPRESS, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER I.E. JANSATTA AND GUJARATI EDITION OF THE REGIONAL NEWSPAPER FINANCIAL EXPRESS, EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”, REFERRED TO AS THE “DESIGNATED STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE. In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid /Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue 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 websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable. This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription 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) (“Net QIB Portion”). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% 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 QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter titled “Issue Procedure” on page 255 of this Red Herring Prospectus.	
RISK IN RELATION TO THE FIRST ISSUE	
This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10/- each. The Issue Price, Floor Price or the Price Band 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 active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to chapter titled “Risk Factors” beginning on Page No. 27 of this Red Herring Prospectus.	
ISSUER'S ABSOLUTE RESPONSIBILITY	
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 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.	
LISTING	
The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated September 06, 2024 from National Stock Exchange of India Limited (“NSE”) for using its name in this offer document for listing our shares on the SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”). For the purpose of this Issue, the designated Stock Exchange is the National Stock Exchange of India Limited.	
BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 BEELINE CAPITAL ADVISORS PRIVATE LIMITED Registered Office: B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad-380054, Gujarat, India. Tel. No.: 079 4840-7357 Email: mb@beelinemb.com Website: www.beelinemb.com Investor Grievance Email: ig@beelinemb.com Contact Person: Mr. Nikhil Shah SEBI Registration No.: INM000012917	 KFIN TECHNOLOGIES LIMITED Address: Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel. No.: +91 40 6716 2222 Email: all.ipo@kfintech.com Website: www.kfintech.com Investor Grievance Email: einward.ris@kfintech.com Contact Person: M Murali Krishna SEBI Registration No.: INR000000221
BID/ISSUE PROGRAMME	
ANCHOR INVESTOR BIDDING DATE	THURSDAY, SEPTEMBER 19, 2024*
BID/ISSUE OPENS ON	FRIDAY, SEPTEMBER 20, 2024
BID/ISSUE CLOSES ON	TUESDAY, SEPTEMBER 24, 2024

*Our Company in consultation with the BRLM consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

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SECTION I – GENERAL**DEFINITIONS AND ABBREVIATIONS**

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

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

Notwithstanding the foregoing, terms used in of the sections “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” on pages 124, 163, 121, 194, 114, 171, 232, 209 and 284, respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Term	Description
“SDRL”, “the Company”, “our Company” and S D Retail Limited	S D Retail Limited, a company incorporated in India under the Companies Act 1956 having its Registered office at C-929, Stratum at Venus Ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi, Ahmedabad, Gujarat- 380006, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of S D Retail Limited as amended from time to time.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as amended.
Auditors/ Statutory Auditors	The Auditors of S D Retail Limited being M/s KKC & Associates LLP (Formerly Khimji Kunverji & Co. LLP), Chartered Accountant.
Bankers to the Company	HDFC Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 175 of this Red Herring Prospectus.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Hitesh Pravinchandra Ruparelia.
CIN	Corporate Identification Number of our Company i.e., U52520GJ2004PLC056076
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Ritesh Surendra Saraogi
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Sakshi Singh Chauhan.
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.

SWEET DREAMS

Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in “Information with Respect to Group Companies” on page 231 of this Red Herring Prospectus.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	International Securities Identification Number. In this case being INE0X6F01017.
Investment Agreement	Investment Agreement dated December 05, 2017 by and among Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, S D Retail Limited, Chanakya Corporate Services Private Limited and Chanakya Value Creation LLP.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 175 of this Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on June 20, 2024, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Mr. Hitesh Pravinchandra Ruparelia
MOA / Memorandum / Memorandum of Association	Memorandum of Association of S D Retail Limited as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer review Auditor	The Peer Review Auditors of S D Retail Limited being M/s V C A N & Co., Chartered Accountant.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e., Individual Promoters: Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia and Corporate Promoters: M/s. Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Private Limited) and M/s. Grace Garments LLP (formerly known as Grace Garments Limited). For further details, please refer to section titled “Our Promoters and Promoter Group” beginning on page 187 of this Red Herring Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “Our Promoter and Promoter Group” beginning on page 187 of this Red Herring Prospectus.
Registered Office	C-929, Stratum at Venus Ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi Ahmedabad, Gujarat- 380006, India,
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information for the year ended March 31, 2024, 2023 and 2022 together with the annexure and notes thereto.
RoC/ Registrar of Companies	Registrar of Companies, Ahmedabad
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Stakeholders Relationship Committee	The Stakeholder’s Relationship Committee of our Board constituted in accordance with section 178(5) of the Companies Act, 2013.

Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Hitesh Pravinchandra Ruparelia and Ms. Nishu Jitendra Negandhi

ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the bid.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	The successful bidder to whom the Equity Shares are being / have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application 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 the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 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
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the bidders for blocking the bid Amount mentioned in the ASBA Form.
ASBA Bidders	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Red Herring Prospectus.

SWEET DREAMS

Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited.
Banker to the Issue Agreement	Agreement dated August 29, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “Issue Procedure” on page 255 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Issue 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 September 24, 2024, which shall be published in English editions of Financial Express (a widely circulated English national daily newspaper), Hindi editions of Jansatta (a widely circulated Hindi national daily newspaper) and Gujarati editions of Financial Express (regional language of Ahmedabad, where our Registered Office is located). Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being September 20, 2024, which shall be published in English editions of Financial Express (a widely circulated English national daily newspaper), Hindi editions of Jansatta (a widely circulated Hindi national daily newspaper) and Gujarati editions of Financial Express (regional language of Ahmedabad, where our Registered Office is located).
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue 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 and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker

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	Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges where investors can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the bidder father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Red Herring Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)

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Designated Market Maker	Spread X Securities Private Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Stock Exchange	National Stock Exchange of India Limited (SME Platform) ("NSE EMERGE")
DP	Depository Participant
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring prospectus dated June 27, 2024 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Offer or invitation under this Issue and in relation to whom the Bid cum Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account	Accounts opened with the Banker to the Issue
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fresh Issue / Issue	The Fresh Issue of up to 49,60,000 Equity Shares aggregating up to ₹ [●] Lakhs. Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. 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 completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Issue and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018

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General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
IPO/ Issue / Issue Size/ Public Issue	Initial Public Offering
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offer/ Initial Public Offering/ IPO	The initial public offering of up to 49,60,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs.
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “Objects of the Issue” page 99 of this Red Herring Prospectus
Issue Price	The Price at which the Equity Shares are being issued/offered by our Company under this Red Herring Prospectus being Rs. [●] per equity share.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	The Market Making Agreement dated August 29, 2024 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Spread X Securities Private Limited
Market Maker Reservation Portion	The reserved portion of upto 2,50,000 Equity Shares of Rs. 10 each at an Issue price of Rs. [●] each aggregating to Rs. [●] Lakhs to be subscribed by Market Maker in this Issue.
MOU / Memorandum of Understanding	Memorandum of Understanding dated June 20, 2024 amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of up to 47,10,000 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Fresh Issue.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors / bidder	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident	A person resident outside India, as defined under FEMA Act, 1999 and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
NSEL/NSE	National Stock Exchange of India Limited
NSE EMERGE	The Emerge platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.

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Pre – IPO Placement	A further issue of Equity Shares through private placement, preferential offer or any other method as may be permitted under applicable law to any person(s), aggregating up to ₹ [●] lakhs, at its discretion, which may be undertaken by our Company, in consultation with the BRLM, prior to the filing of the Red Herring Prospectus with the RoC.
Price Band	Price Band of a minimum price (Floor Price) of Rs. [●] and the maximum price (Cap Price) of Rs. [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs 25.00 Crore; National Investment Fund set up by resolution No. 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 the Union of India and insurance funds set up and managed by the Department of Posts, India.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Registrar/ Registrar to the Issue /RTA/ RTI	Registrar to the Issue being KFin Technologies Limited
Registrar Agreement	The agreement dated June 20, 2024 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/content/cat_of_mem.htm

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Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
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)
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
Sponsor Bank	Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the retail investors into the UPI.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriters	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated August 29, 2024 entered between the Underwriters, BRLM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI bid and by way of a SMS directing the RII to such UPI bid) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI bid equivalent to bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make an bid in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter	As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business:- 1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Prospectus are open for business. 2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

COMPANY AND INDUSTRY RELATED TERMS**Technical and Industry Related Terms**

Term	Full Form
3PL	Third Party Logistics
AI	Artificial Intelligence
ASP	Average Selling Price
B2B	Business to Business
CAD	Computer Aided Design
CAGR	Compounded Annual Growth Rate
CAM	Computer Aided Manufacturing
COFO	Company Owned Franchise-Operated
FOCO	Franchise-Owned Company-Operated
COCO	Company-Owned Company-Operated
ERP	Enterprise resource planning
LFS	Large format stores
SPSF	Sales per square foot
Tier II Cities	Tier II cities refers to cities with a population above 1 million and not in tier I
Tier III Cities	Tier III cities refers to cities with a population more than 0.2 million and less than 1 million
D2C	Direct-to-Consumer
DG Set	Diesel Generator Set
EBOs	Exclusive Brand Outlets
E-commerce	Electronic Commerce
ERP	Enterprise Resource Planning
MBOs	Multi Brand Outlets
MMF	Manmade Fibers
Mtrs.	Meters
MW	Megawatt
Pcs	Pieces
POY	Partially Oriented Yarn
PT	Per Tonne
R&D	Research & Development
SEZ	Special Economic Zone
SKU	Stock Keeping Unit
SME	Small and Medium Enterprise
SIS	Shop in Shop
SSI	Small Scale Industries
Sq. Mtrs.	Square Meters
TPD	Tonnes per Day
TPM/tpm	Tonnes per Month
KPI	Key Performance Indicator

ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account

ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director

Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities

IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth

RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year

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

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

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**Certain Conventions**

All references in the Red Herring Prospectus to “India” are to the Republic of India and its territories and possessions and all references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references in the Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America and its territories and possessions.

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

Use of Financial Data

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our financial statements prepared and restated for the financial year ended on March 31, 2024, 2023 and 2022 on standalone basis in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “Financial Information of our Company” beginning on page 194 of this Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year. Accordingly, all references to a particular fiscal year (referred to herein as “Fiscal”, “Fiscal Year” or “FY”) are to the 12 months period ended March 31 of that particular year, unless otherwise specified.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “Risk Factors”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “Financial Information of our Company” beginning on page 194 of this Red Herring Prospectus.

For additional definitions used in this Red Herring Prospectus, see the section “Definitions and Abbreviations” on page 01 of this Red Herring Prospectus. In the section titled “Description of Equity Shares and Terms of the Articles of Association”, on page 284 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this 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 derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Currency and Units of Presentation

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

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

Currency*	For the year/period ended		
	March 31, 2024	March 31, 2023	March 31, 2022
1USD	₹83.37	₹82.22	₹75.82

*Source: fbil.org.in

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

The extent to which industry and market data set forth in this 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. The data used in these sources may have been reclassified by us for the purposes of presentation. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in chapter titled "Risk Factors" beginning from page 27.

This Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained from India Sleepwear Market Overview, 2029 issued by Bonafide Research & Marketing Private Limited. Our Company has purchased its Global user license from Bonafide Research & Marketing Private Limited for use of data as per Report.

In accordance with the SEBI (ICDR) Regulations, the section titled "Basis for Issue Price" on page 114 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

FORWARD LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Destructions in our manufacturing process, contract manufacturing and changes in price of raw material.
- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Fail to attract, retain and manage the transition of our management team and other skilled employees;
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Ability to respond to technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Recession in the market;
- Changes in laws and regulations relating to the industries in which we operate;
- Our ability to expand our geographical area of operation
- Effect of lack of infrastructure facilities on our business;
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled "Risk Factors"; "Business Overview" & and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 27, 137 & 196 respectively of the 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 future gains or losses could materially differ from those that have been estimated.

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

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

SECTION II: OFFER DOCUMENT SUMMARY**A. PRIMARY DETAIL OF BUSINESS AND INDUSTRY****Summary of Business**

Our company is in the business of designing, manufacturing, outsourcing, marketing, and retailing sleepwear under the brand name “SWEET DREAMS”. SWEET DREAMS is a sleepwear-focused company offering a wide portfolio of stylish and comfortable sleepwear for the entire family, celebrating the transition from work to home life and catering to every aspect of downtime. We design our products to cater to men and women across all age groups including kids (from age 2 Year to 16 Year) and fits that are suitable to various body types and physiques. In addition, we are in adjacent categories such as loungewear, workout wear, athleisure, and work leisure pants. For further details, please refer chapter titled “Business Overview” beginning on Page no. 137 of this Red Herring Prospectus.

Summary of Industry

The India sleepwear market is anticipated to reach market size of USD 1303.88 Million by 2029, with progressive CAGR of 15.12% by 2024-29. The sleepwear industry in India has witnessed significant growth over the past decade. Traditionally, sleepwear in India consisted of simple and utilitarian garments, but evolving fashion trends, increasing disposable income, and a growing awareness of comfort and lifestyle have transformed this sector into a dynamic and profitable market. For further details, please refer chapter titled “Industry Overview” beginning on Page no. 124 of this Red Herring Prospectus.

B. OUR PROMOTERS

Our Company is Promoted by Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, M/s. Sweet Dreams Loungewear (India) LLP and M/s. Grace Garments LLP. For detailed information on our Promoters and Promoter’s Group, please refer to the chapter titled “Our Promoters and Promoter’s Group” beginning from page 187 of this Red Herring Prospectus.

C. SIZE OF THE ISSUE

Public Issue of upto 49,60,000 Equity Shares of Face Value of ₹10/- each of S D Retail Limited (“SDRL” or “Our Company”) for Cash at a Price of ₹ [●] Per Equity Share (Including a Share Premium of ₹ [●] per Equity Share) (“Issue Price”) aggregating to ₹ [●] Lakhs, of which up to 2,50,000 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ [●] aggregating to ₹ [●] Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of up to 47,10,000 Equity Shares of Face Value of ₹10/- each at a price of ₹ [●] aggregating to ₹ [●] Lakhs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 26.49% and 25.16% respectively of the Post Issue paid up Equity Share Capital of Our Company.

D. OBJECT OF THE ISSUE

The fund requirements for each of the Object of the Issue are stated as below:

S. No	Particulars	Amt. (₹ in Lakhs)	% of Total Issue Size
1.	Capital expenditure to be incurred by our Company for setting up new exclusive brand outlets (“EBOs”)	1648.85	[●]
2.	Funding Working Capital Requirement	3500.00	[●]
3.	General Corporate Expenses **	[●]	[●]
Gross Issue Proceeds		[●]	[●]
Less: Issue Expenses		[●]	[●]
Net Issue Proceeds		[●]	[●]

***To be finalised upon determination of the Issue 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.*

E. PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1.	Hitesh Pravinchandra Ruparelia	47,51,120	34.52	47,51,120	25.38
2.	Utpalbhai Pravinchandra Ruparelia	31,67,560	23.02	31,67,560	16.92
3.	Sweet Dreams Loungewear (India) LLP	14,30,000	10.39	14,30,000	7.64
4.	Grace Garments LLP	21,27,124	15.46	21,27,124	11.36
	TOTAL (A)	1,14,75,804	83.39	1,14,75,804	61.29
	Promoter Group				
1.	Pravinchandra Ruparelia	220	0.00	220	0.00
2.	Meenaben P Ruparelia	220	0.00	220	0.00
3.	Hina Hitesh Ruparelia	220	0.00	220	0.00
4.	Kashmiraben U Ruparelia	220	0.00	220	0.00
5.	Utpalbhai Pravinchandra Ruparelia HUF	220	0.00	220	0.00
6.	Hitesh Pravinchandra Ruparelia HUF	220	0.00	220	0.00
7.	SD Fashions LLP	1,88,562	1.37	1,88,562	1.01
8.	Shaligram Apparels LLP	5,57,700	4.05	5,57,700	2.98
	TOTAL (B)	7,47,582	5.43	7,47,582	3.99
	GRAND TOTAL (A+B)	1,22,23,386	88.82	1,22,23,386	65.29

For further details, refer chapter titled “Capital Structure” beginning on page no. 75 of this Red Herring Prospectus.

F. SUMMARY OF RESTATED FINANCIAL STATEMENT

Restated Financials

(Rs. in Lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Share Capital	125.11	62.56	62.56
Net Worth	4,179.98	3,420.22	2,990.04
Total Revenue	16,328.48	13,568.86	12,873.65
Profit after Tax	759.76	430.17	1,011.06
Earnings Per Share	5.52	3.13	7.35
Net Asset Value per Equity share as Restated (in ₹)	334.10	546.74	477.98
Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (in ₹)	30.37	24.85	21.73
Total Borrowings	4,354.72	2,051.31	1,844.13

G. There are no material Auditor’s Qualifications in any of the Financial Statements of the Company.

H. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS:

Name of Entity	Criminal Proceedin gs	Tax Proceedin gs	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
Company						
By the Company	17	NA	NA	NA	2	114.79
Against the Company	NA	5	NA	NA	3	699.77

SWEET DREAMS

Directors						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	NA	NA	NA	NA	NA
Promoters						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	NA	NA	NA	NA	NA
Subsidiaries						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
Group Companies						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

For further information, please refer chapter titled “Outstanding Litigations and Material Developments” on page no. 209 of this Red Herring Prospectus.

I. Investors should read chapter titled “Risk Factors” beginning on page no. 27 of this Red Herring Prospectus to get a more informed view before making any investment decisions.

J. SUMMARY OF CONTINGENT LIABILITIES

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
a) Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	-	-	-
b) Related to Service Tax / GST	39.93	7.21	7.21
c) Related to Income Tax	5.10	7.18	7.18
Total	45.03	14.40	14.39

For further information, please refer “Annexure XIII - Contingent Liability” under chapter titled “Financial Information of our Company” on page no. 194 of this Red Herring Prospectus.

K. SUMMARY OF RELATED PARTY TRANSACTIONS

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

Statement of Related Party & Transactions:

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1	Hiteshbhai P. Ruparelia	Key Managerial Personnel
2	Utpalbhai P. Ruparelia	Key Managerial Personnel
3	Poojaben Shah (w.e.f. 11-05-2024 till 20-06-2024)	Key Managerial Personnel
4	Sakshi Singh Chauhan (w.e.f. 20-06-2024)	Key Managerial Personnel
5	Ritesh Surendra Saraogi (w.e.f. 11-05-2024)	Key Managerial Personnel
6	Pravin H. Ruparelia	Relative of KMP
7	Mina P. Ruparelia	Relative of KMP
8	Heena H. Ruparelia	Relative of KMP

SWEET DREAMS

9	Kashmira U. Ruparelia	Relative of KMP
10	Gargi H. Ruparelia	Relative of KMP
11	Margi H. Ruparelia	Relative of KMP
12	Parth U. Ruparelia	Relative of KMP
13	Hitesh P Ruparelia (HUF)	Relative of KMP
14	Utpal P Ruparelia (HUF)	Relative of KMP
15	Gaurang H. Ruparelia	Relative of KMP
16	SD Fashions LLP (Formerly known SD Fashions Private Limited)	Entity in which KMP's have significant influence
17	Grace Garments LLP (Formerly known Grace Garments Limited)	
18	Sweet Dreams Loungewear (India) LLP (Formerly known Sweet Dreams Loungewear (India) Private Limited)	
19	Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt. Ltd.	
20	TVH Computer & Consultant Pvt. Ltd.	
21	Intimate Apparels Association of India	

Transactions during the year:

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
(a) Salary to Relative of Director			
Pravin H. Ruparelia	5.69	5.69	5.52
Gargi H. Ruparelia	13.62	13.62	3.19
Margi H. Ruparelia	-	-	-
Mina P. Ruparelia	3.99	3.99	3.87
Parth H. Ruparelia	23.77	47.27	26.11
(b) Rent Paid			
Mina P. Ruparelia	1.62	1.50	1.38
Kashmira U. Ruparelia	-	-	-
(c) Loan received from Related Parties			
Hitesh P. Ruparelia	11.00	-	288.20
Utpal P. Ruparelia	440.00	100.00	6.00
Pravin H. Ruparelia	81.00	80.00	71.00
Mina P. Ruparelia	88.10	-	-
Kashmira U. Ruparelia	-	-	-
Hinaben H. Ruparelia	356.00	285.00	291.50
Margi H. Ruparelia	13.00	11.50	19.00
Gaurang H. Ruparelia	34.00	25.00	17.00
(d) Loan Repaid to Related Parties			
Hitesh P. Ruparelia	11.00	2.00	287.70
Utpal P. Ruparelia	440.00	100.00	6.00
Utpal P. Ruparelia-HUF	-	-	-
Pravin H. Ruparelia	81.00	80.00	71.00
Mina P. Ruparelia	88.10	-	-
Kashmira U. Ruparelia	-	-	-
Hinaben H. Ruparelia	356.00	285.00	291.50
Margi H. Ruparelia	13.00	11.50	19.00
Gaurang H. Ruparelia	34.00	25.00	17.00
(e) Interest Expenses From Loans Taken			

SWEET DREAMS

Hitesh P. Ruparelia	33.36	33.38	33.28
Utpal P. Ruparelia	42.64	34.85	33.12
Utpal P. Ruparelia-HUF	2.75	2.74	2.74
Pravin H. Ruparelia	4.50	6.96	6.95
Margi H. Ruparelia	0.48	0.85	0.39
Grace Garments Ltd.	-	-	-
Mina P. Ruparelia	2.50	-	-
Kashmira U. Ruparelia	-	-	-
Hinaben H. Ruparelia	12.67	19.88	13.80
Gaurang H. Ruparelia	1.53	2.49	0.36
(f) Director Remuneration			
Hitesh P. Ruparelia	107.89	97.34	108.11
Utpal P. Ruparelia	103.84	76.28	66.06
(g) Service Provided by Relative of KMP			
Gaurang H. Ruparelia	12.00	12.00	10.00
Gargi H. Ruparelia	-	-	16.20
(h) Salary to KMP			
Ritesh Surendra Saraogi	12.01	11.68	10.30
(i) Staff Welfare Expenses			
Hitesh P. Ruparelia	30.00	30.00	30.00
Utpal P. Ruparelia	25.00	25.00	25.00
Margi H. Ruparelia	-	-	12.95
Parth H. Ruparelia	-	-	1.15
(j) Reimbursement of Expenses			
Hitesh P. Ruparelia	3.37	-	-
Ritesh Surendra Saraogi	5.00	5.00	5.00

Outstanding Balance Receivables / (Payables):

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Salary/Remuneration Payable			
Pravin H. Ruparelia	0.47	0.47	0.47
Gargi H. Ruparelia	0.30	-	-
Margi H. Ruparelia	-	-	-
Parth U. Ruparelia	1.56	-	7.75
Mina P. Ruparelia	0.33	0.33	0.33
Hitesh P. Ruparelia	-	-	34.27
Utpal P. Ruparelia	-	-	21.60
Ritesh Surendra Saraogi		0.64	0.63
Professional Service Payable			
Gaurang H. Ruparelia	0.90	-	-
Rent Payable			
Mina P. Ruparelia	-	-	0.06
Outstanding Unsecured Loans Taken			
Hitesh P. Ruparelia	276.63	276.20	278.20

SWEET DREAMS

Utpal P. Ruparelia	276.10	276.10	276.10
Utpal P. Ruparelia HUF	22.85	22.85	22.85
Pravin H. Ruparelia	-	-	-
Mina P. Ruparelia	-	-	-
Hina H. Ruparelia	-	-	-
Trade Payable on A/c of Entity Controlled by KMP			
Intimate Apparels Association of India	0.77	0.77	0.77
Advances to Related Parties (For Expenses)			
Utpal P. Ruparelia	-	0.11	0.68
Mina P. Ruparelia	-	-	0.10
Pravin H. Ruparelia	-	0.08	0.08
Parth U. Ruparelia	0.08	-	-
Ritesh Surendra Saraogi	0.10		
Gaurang H. Ruparelia	-	-	-
Reimbursement of Expense Payable			
Hitesh P. Ruparelia	0.43		

For details of Restated related party transaction, please refer “Annexure IX – Related Party Transaction” under chapter titled “Restated Financial Statements” beginning on page no. 194 of this Red Herring Prospectus

L. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Red Herring Prospectus.

M. The weighted average price of acquisition of Equity Shares by our Promoters in last one year is:

Name of the Promoters	No. of Shares held	Weighted Average Cost of Acquisition per Share (In Rs.)*
Mr. Hitesh Pravinchandra Ruparelia	45,35,160	0.00
Mr. Utpalbhai Pravinchandra Ruparelia	30,23,580	0.00
M/s. Sweet Dreams Loungewear (India) LLP	13,65,000	0.00
M/s. Grace Garments LLP	20,29,982	(0.32)

*The weighted average cost of acquisition of Equity Shares for last one year by our Promoters has been calculated by taking into account the amount paid by them to acquire Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired. The Company has allotted shares to Equity Shareholders in forms of Bonus Equity Shares in last one year.

As certified by V C A N & Co., Chartered Accountants by way of their certificate dated September 07, 2024 having UDIN 24175015BKICVN3879

N. The average cost of acquisition of Equity Shares by our Promoters is:

Name of the Promoters	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Mr. Hitesh Pravinchandra Ruparelia	47,51,120	0.54
Mr. Utpalbhai Pravinchandra Ruparelia	31,67,560	0.33
M/s. Sweet Dreams Loungewear (India) LLP	14,30,000	9.09
M/s. Grace Garments LLP	21,27,124	7.69

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

As certified by V C A N & Co., Chartered Accountants by way of their certificate dated September 07, 2024 having UDIN 24175015BKICIVZ3073

- O.** Our Company has not undertaken any pre IPO placement.
- P.** Except as disclosed in this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.
- Q.** Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Red Herring Prospectus.
- R.** As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 137 and 196, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.

This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 27 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 196 respectively of this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of our Company" prepared in accordance with the Indian Accounting Standards.

Materiality

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

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

INTERNAL RISK FACTORS

1. ***The application has been filed to NCLT under section 9 of Insolvency and Bankruptcy Code, 2016 against our Company and the same is pending with NCLT, Ahmedabad. Any adverse outcome of the pending proceeding will impact the operations of our Company.***

Our Company had purchased stock from M/s. Royale King Fashions Pvt. Ltd. (Operational Creditor). However allegedly an amount of Rs. 627.08 lakhs are pending to be paid to the said operational Creditor as on March 12, 2020. The legal notice dated July 04, 2020. Aggrieved by this the operational creditor herein has filed a petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 dated August 25, 2020 and the same is pending. Our Company has disputed the said application on the basis of non-maintainability of the suit by the petitioners herein, on account of amount mismatch and other deviations from terms of supplies and claim made based on purchase orders, Performa invoices and other expenses not backed by supply from terms of supplies. The application is pending for further

consideration as order is reserved on September 06, 2024.

Although the application is not admitted yet, in case the same is admitted at any stage, the solvency of our company shall be at stake and that our company shall be considered insolvent for the purpose of the Insolvency and Bankruptcy Code in which event we shall be ineligible to bring the issue.

For further details of certain material legal proceedings involving our Company, our Promoter, or directors, see “Financial Information” beginning on page 194 of this Red Herring Prospectus.

2. Our products are sold under a single brand, ‘SWEET DREAMS’. Any inability to effectively market our products, or any deterioration in public perception of our brand, could affect consumer footfall and consequently adversely impact our business, financial condition, cash flows and results of operations.

Brand awareness is essential to our continued growth and financial success, and our operations are influenced by our brand marketing and advertising initiatives. The ‘SWEET DREAMS’ brand is integral to our business strategy and our ability to attract and engage customers. As a result, our success depends on our ability to maintain and enhance the value and reputation of the ‘SWEET DREAMS’ brand. Maintaining, promoting, and positioning our brand will depend largely on the success of our design and marketing efforts, including advertising and customer campaigns, as well as our product innovation, product quality, and sustainability initiatives. We cannot assure you that we will be able to protect our intellectual property rights in relation to our brand.

Our Advertisement and sales promotion expenses for the below mentioned time periods, is provided in the table below:

Product	Fiscal 2024 (In Lakhs)	Fiscal 2023 (In Lakhs)	Fiscal 2022 (In Lakhs)
Advertisement and Sales Promotion expenses	778.73	551.75	425.25
% revenue from operations	4.79%	4.08%	3.31%

However, these marketing campaigns and advertisements may not be effective to the extent planned and we may fail to attract new customers and retain existing customers. Further, we may fail to penetrate new target markets if our marketing and advertising initiatives are not successful or not tailored in a manner to attract the customers in such target markets or if our competitor brands advertise and conduct marketing campaigns which are more effective than ours. In such cases, our brand awareness and position in the market could be adversely affected and have a direct impact on our business, results of operations and financial condition. We market and sell our products directly to customers through our Distributors, EBOs and on online channels including our own website. We also market and sell our products through MBOs and various e-commerce marketplaces. For further details, see “Business Overview” on page 137.

We intend to continue to enhance the brand recall of our sleepwear through expansion of our footprint of our retail stores as well as utilizing digital and social media marketing campaigns, advertisements, billboards, and live events to showcase our product images and information. However, there are factors, beyond our control, that are essential in maintaining and enhancing our brand recall, including improving customer satisfaction, increasing the popularity and awareness of the brand through brand building initiatives with respect to the new products we launch or in geographic areas where we intend to expand our operations. Maintaining and enhancing our brand may require us to make substantial investments and incur expenses in many areas such as product designing, marketing, advertising, outlet operations and e-commerce.

3. Our business is primarily concentrated on the sale of women’s sleepwear’s and is vulnerable to variations in demand and changes in consumer preferences which could have an adverse effect on our business, results of operations and financial condition.

We are engaged in the sale of sleepwear’s for women, men and kids but our business is currently dependent primarily on sale of garments catering to the sleepwear’s market mainly for women. Our category wise revenue from operations for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 are as follows:

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	In %	Revenue	In %	Revenue	In %
Women	9266.73	57.04	6935.54	51.42	6547.11	50.96

SWEET DREAMS

Men	5361.09	33.00	5358.12	39.72	4681.12	36.44
Kids	1617.45	9.96	1195.70	8.86	1618.23	12.60

Since we majorly focus on catering to the market of women's sleep wears, which is a segment of the vast apparel market, if our customers are not satisfied with our products, or there is lack of customer demand for our products, it may adversely affect our business, financial conditions, and results of operations. In particular, our business is impacted by rapidly changing customer preferences. Our results of operations are dependent on our ability to attract customers by anticipating and responding to customer preferences and demand while consistently modifying our existing products in line with such changes and introducing new products from time to time.

The Indian retail sleepwear market is sensitive to the changes in economy and purchases by the customers decreases during recession periods. There are many factors out of our control, including interest rates, market volatility across the globe, inflation, tax rates, government policies and unemployment rates which affect consumer confidence and spending pattern. The political environment and instability across nations may affect consumer confidence and reduce spending, which could affect our growth and profitability. For further details, see "Business Overview" on page 137.

- 4. We operate in highly competitive markets in each of our product segments in both offline and online channels and an inability to compete effectively may adversely affect our business, results of operations and financial condition. Further, pricing pressure from our competitors may affect our ability to maintain or increase our product prices and, in turn, our revenue from product sale, gross margin and profitability, which may materially and adversely affect our business, cash flows, results of operations and financial condition.**

We face competition from various international, national, regional and niche brands and unorganized players in the sleepwear industry who are present in our product segments. We believe that the sleep wear industry is a highly unorganized market, and we compete with several branded and non-branded players and local retailers' brands.

Competition amongst other brands in the industry may result in pricing pressures, reduced profit margins, less market share, or a failure to grow or maintain our market share, which may substantially harm our business and results of operations. Many of our competitors operating in certain of our product segments may have significant competitive advantages in that particular product segment, including longer operating histories, larger and broader customer bases, more established relationships with a broader set of third-party manufacturing partners and suppliers, lower cost of raw materials and sale of finished products at lower prices, greater brand recognition, and greater financial, research and development, store development, marketing, distribution, and other resources than we have. In the future, several brands may come together and develop arrangements to compete against us and acquire greater resources, market and geographic reach and customer database.

While we believe that online retailers provide us with an opportunity to increase the visibility of our brands and to improve our supply chain, they may continue to gain market share and thus increase their negotiating power. However, we cannot assure you that, in the future, we will be able to negotiate agreements with such third-party online platforms on terms favorable to us or at all. Further, our competitors may be able to negotiate better or more favorable terms with such third-party online platforms. An inability on our part to maintain or further develop online presence or further enter into agreements with our existing and new third-party online platforms on terms favorable to us may have an adverse effect on the pricing of our products, our sales and consequently our business, cash flows, financial condition and results of operations.

We arrive at a pricing for each of our products through a detailed mechanism that takes into consideration, a range of factors, including costs incurred in connection with procurement, exclusive availability of the product and other ancillary expenses. While we determine the maximum retail price of our products, which are being sold through various ecommerce platforms and MBOs, products may be sold at a different price by these e-commerce platforms and MBOs, which may offer additional discounts to their customer base on certain occasions such as festivals, annual sales, etc. We strive to ensure that our products remain in line with current market trends yet affordable for our customers. We exclusively manage and regulate the prices at which our products are sold across our EBOs, and MBOs and the online channel. Competitive pricing by our competitors may manifest in various forms, including, among others, through our competitors lowering their prices for similar products. This may lead to a decrease in our revenues and profits. Moreover, if our franchisees owned EBO's fail to follow our retail price stipulations, our brand value and the public perception of our brand positioning could be negatively affected. We may seek to reduce the price of our raw materials and production through negotiations with our manufacturing partners, respectively, and streamline product designs to offset the impact of pricing pressure.

Therefore, we will not be able to assure you that we will be able to compete successfully in the future against our existing or potential competitors in the market, or that our business and results of operations will not be adversely affected by increased competition in the

offline and online channels. We cannot assure you that we will be able to avoid future pricing pressure from our competitors or offset the impact of any price reductions through continued technological improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, or other cost reductions through other productivity initiatives. Our competitors may significantly increase their advertising expenses to promote their brands and products, which may require us to similarly increase our advertising, publicity and sales promotion expenses and engage in effective pricing strategies, which may have an adverse effect on our business and results of operations. For further details, see “Business Overview” on page 137.

5. *If we are unable to predict customer demands and maintain optimum inventory level there may be an adverse effect on our results of operations, financial condition, and cash flows.*

Our ability to foresee and forecast customer demands and trends is crucial to the success of our business. Any miscalculation in our forecast could lead to excess stock of our products that we may not be able to sell in a timely manner, or at all. On the other hand, understocking our inventory may interfere with our ability to fulfil customer demands during an ongoing season. Based on the predicted customer demands, requirements, and inventory needs for the upcoming season, we project our sales and plan our inventory levels accordingly. To keep our inventory at optimum levels, we hold our inventory in our warehouse prior to a forthcoming season. In case we are unable to anticipate and gauge our customer preferences, or are unable to adapt to such changes in a timely manner, or at all, we may lose existing customers or fail to attract new customers, which may render our inventory obsolete and may subject our business to pricing pressure causing us to sell our inventory at a discounted price, which may have an adverse effect on our business, results of operations and cash flows.

A decline in demand for our products or a misjudgement on our part regarding the nature of designs in demand could lead to an increased market acceptance of our competitors’ products or may result in the substitution of our products in the market, which could lead to us having lower sales and excess inventory, which may necessitate us to sell this excess inventory at cost price / lower than cost price.

We utilize our technology to keep a record of our stock and achieve a balance between availability of the stock to avoid overstocking and understocking of our products. We use data to build predictability into projections based on an analysis of current sales. We use technologies such as logic software for our data analytics and these methods of analysis aid us in keeping our inventory stock in alignment with target sales and display requirements.

In the event of unforeseen circumstances, such as COVID-19 or natural disasters, we manage our inventory through a combination of ringfencing meaningful inventory, timely discounts on seasonal products, carrying forward some inventory to the next season and such other measures that our long-standing beneficial relationships with our manufacturing partners allow us. The table below provides details of our inventory levels for the below mentioned time periods:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventories (in Lakhs)	2586.09	2585.37	2316.56
Inventory turnover days	124.37	135	134
Inventory (as % of our current assets)	22.71%	30.84%	31.42%

We cannot assure you that we will be able to maintain an optimum inventory level in the future. Our ability to satisfy customer demands could be hampered if we understock our inventory. On the contrary, if we overstock our inventory, we run the risk of increase in capital requirements, additional financing, inventory write-offs, sale of excess inventory at discounted prices that would adversely affect our margins due to the carrying cost of inventory. Any unsold inventory may have to be disposed, and/or sold at cost price or below cost price, or both, which could result in losses. We cannot guarantee that we will be able to sell excess stock in a timely manner, or at all, which may negatively impact our business, results of operations, cash flows and financial condition. Alternatively, in case we suffer from inventory shortages at our stores, it could result in delayed shipments to customers, negative customer experiences, lesser brand loyalty, lesser sales, and damage to our brand reputation, any of which may have an adverse effect on our results of operations, financial condition, and cash flows. For further details, see “Business Overview” on page 137.

6. *Current locations of our exclusive brand outlets may become unattractive, and suitable new locations may not be available for a reasonable price, if at all. In addition, we are exposed to all of the risks associated with leasing real estate and any adverse developments could materially affect our business, results of operations and financial condition.*

The success of any EBO depends in part on its location. We cannot assure you that current locations of our EBOs will continue to be attractive or profitable as demographic patterns change, or as leases are renewed/ extended on terms less favourable to us. Neighborhood

or economic conditions where EBOs are located could decline in the future, thus resulting in reduced sales in those locations. Alternatively, neighborhoods could continue to improve and escalate real estate prices, which may not be proportionate to the sales we are able to carry out. In the event real estate prices increase or if we are unable to renew lease agreements for our existing stores on terms favorable to us, such store locations may not be profitable for our business, and we may be compelled to reassess the feasibility of such EBOs.

The distribution of our EBO's location wise are:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Western	10	0	0
Eastern	0	0	1
Northern	13	14	12
Southern	0	0	0

We periodically close EBOs which are not profit making or if we are able to relocate to locations that have higher footfalls or which we determine are not adhering to our internal standards and business plans. So far we have closed 12 EBO's in 3 regions in which 2 EBOs closed in FY 2021, 1 EBOs closed in FY 2022, 2 EBOs closed in FY 2023 and 7 EBOs closed till 31st March 2024.

We may continue to open more stores in such regions. Existing and potential competitors to our businesses may increase their focus on these states, which could reduce our market share. For example, our competitors may intensify their efforts in these states to capture a larger market share by launching aggressive promotional campaigns. The concentration of our operations in these states heightens our exposure to adverse developments related to competition and other changes, which may adversely affect our business prospects, financial conditions and results of operations. In the event of a regional slowdown in the economic activity in these regions, or any other developments including political or civil unrest, disruption or sustained economic downturn that reduce the demand for our products in these regions, could adversely affect our business, financial condition and results of operations, which are largely dependent on the performance and other prevailing conditions affecting the economies of these regions. Any adverse development that affects the performance of the stores located in these states could have a material adverse effect on our business, financial condition and results of operations. Our past store sales may not be comparable to or indicative of future sales.

Additionally, while opening new stores, we consciously follow a cluster-based approach which leads to concentration of our business in a relatively small area rather than a widespread presence. More than one store located close to each other in a cluster may lead to each such store eating into the sales of the other stores in the cluster leading to falling sales in each of such stores. For further details, see "Business Overview" on page 137.

7. *There have been certain instances of regulatory non-compliances or delays or errors in the past. We may be subject to regulatory actions and penalties for any such past or future non-compliance or delays or errors and our business, financial condition and reputation may be adversely affected.*

There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes such as incorrect/ incomplete attachments to the forms, clerical errors by our Company with the ROC. For instances, in the annual return filed by our Company for the year 2004-05, transfer of 5000 equity shares by Mr. Nishu Jitendra Negandhi to Mr. Utpal Ruparelia is not mentioned and authorized capital is mentioned wrong; The word "Consolidated" has been written mistakenly in place of Standalone in the Balance Sheet and other financial documents filed for the year 2006-07 to 2016-17.

Further in the past, our company has at several instances, delayed in filing our GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees and interest on late deposits levied are small, if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows.

Further, the Company has not complied with the provisions of Section 123 of the Companies act, 2013 which relate to payment of dividend as the dividend is paid after 30 days from declaration of the dividend in the FY 2016 and FY 2017. The Company has filed the compounding application dated July 24, 2024 for the same with Registrar of Companies.

However, if any action is taken by the concerned authority in the matter and in the event of any penalty being imposed against the Company by the concerned authority, the financials of the company shall be adversely affected. As regards corrective measure company

has appointed compliance officer to ensure that all the compliance related matters are taken care of on real time basis and have further the internal controls to ensure that the flaws are cured in time.

8. Our Restated Financial Statements are prepared and signed by the Peer Review Auditor who is not Statutory Auditors of our Company as required under the provisions of ICDR.

The Restated Financial Statements of our Company for the financial year ended March 31 2024, 2023 and 2022 respectively are prepared and signed by M/s V C A N & Co, Chartered Accountants, the Peer Review Auditor of our Company who is not statutory auditor of our Company. While our statutory auditor possesses a valid peer-reviewed certificate, due to their existing commitments, the task of providing the restated financial statements was entrusted to the aforementioned peer-reviewed chartered accountant.

9. Our inability to effectively manage or expand our retail network may have an adverse effect on our business, results of operations and financial condition.

Our ability to expand and grow our sales significantly depends on the reach and effective management of our retail network. For instance, we intend to open approximately 90 EBOs in the next two Fiscals (including Out of 90 EBO's, 65 EBO's are opened on COCO model i.e. Company owned and Company operated for which the funds has been raised by the Company as Object for the Issue. Further 25 EBO's is planned to open on COFO Model i.e. Company owned and Franchisee Operated for which funds will be transferred to Franchisee from Internal accruals of the Company). We have also not placed any order for purchase of fit-outs, information technology and utilities related items for EBOs we plan to open. For further information, see "Objects of the Offer" on page 99. Our Company has to compete with other retailers to lock in locations for our stores on a continuous basis. We may be unable to identify suitable locations or properties or enter into agreements with landlords/ mall developers/ lessors, on favorable terms, in order to open additional EBOs. Our ability to effectively obtain quality commercial property to relocate existing EBOs or open new EBOs depends on the availability of commercial property that meets our criteria for customer traffic, square footage, lease economics, demographics and other factors, including our ability to negotiate terms that meet our financial targets. In addition, rising real estate prices may restrict our ability to lease new desirable locations.

Any new EBOs that we establish requires significant resources in terms of fixed lease costs, fit-outs and refurbishments, to align the store with our preferred format, and may not be profitable immediately upon its opening or may take time to break even, and failure to do so within a reasonable period may adversely affect our profitability. Our ability to reduce our payback periods depends on our ability to negotiate commercially reasonable terms, based on the store format and the location for such format, that is subject to various assumptions on demand for our products from the particular demographic at the location. An inability to appropriately identify suitable locations, or to negotiate commercially reasonable lease terms, or to accurately assess demand for our products based on our assumptions, may increase our payback periods, result in store-closures, and adversely affecting our results of operations and financial condition. In addition, new stores could impact the sales of our existing stores nearby, and there can be no assurance that sales cannibalization will not occur or become more significant in the future as we increase our presence in existing markets.

We cannot assure you that we will be able to expand and grow at the rate at which we may desire to, as we may not be able to obtain lease at such locations that we believe will be necessary for implementing our expansion plans and at prices that are viable for our business. If we are not able to obtain the locations at favourable lease rentals or lease period or at the time and place that we desire, the same may have a material adverse impact on our results of operation. We cannot assure you that we will be able to expand our retail network in accordance with our business plans, or at all, which may adversely affect our business, results of operations and financial condition. For further details, see "Business Overview" on page 137.

10. While we design our products in-house, we rely on outsourcing the manufacturing of finished products to third-party manufacturing partners, without exclusivity arrangements and are dependent on them for our finished goods. Any inability to obtain sufficient quantities of apparel of the requisite quality in a timely manner and at acceptable prices, or a slowdown, shutdown or disruption in such third-party manufacturing partners' operations and performance, could adversely affect our business, cash flows, results of operations and financial condition.

We are a design and retail focused Company wherein the designs of our products are created by our in-house design team and majority of manufacturing of the finished product is carried out by third-party manufacturing partners. If our existing manufacturing partners, temporarily or permanently, are unable to provide us with the finished products as per our requirements, or at all, it may adversely affect our business operations. The Breakup of outsourced purchase is as follows:

(Amount in Lakhs)			
Particulars	FY 2023-24	FY 2022-23	FY 2021-22

Outsourced Purchase	5,039.28	2,928.31	2,850.24
in % to Purchases	66%	42%	44%

These manufacturing partners perform different stages of the manufacturing process, including dyeing, printing, cutting, stitching, and finishing, with the final products sold by us under our brand. We rely on our manufacturing partners to provide us with an uninterrupted supply of our products. However, we cannot assure you that they will do so in a timely manner, or at all. While we have long-term relationships with certain manufacturing partners, they may decide not to accept our future orders on the same or on terms favourable to us, or at all. We may face the risk of our competitors offering our manufacturing partners better terms, which may cause them to cater to our competitors alongside, or even instead of us. As a result, we may not have access to additional discounts, schemes and offers provided by our manufacturing partners and third-party suppliers which may adversely affect the pricing of our products and may make our products/pricing relatively unattractive. Moreover, in case our existing manufacturing partners and third-party suppliers are unable to supply our products as per our requirements, or at all, it may adversely affect our business operations, financial condition, and results of operations.

11. Any change in our consumer's likes, preferences or a change in their perception regarding the quality of our products may negatively affect the image and our reputation and in turn affect our revenues and profitability.

We are engaged in Sleepwear, loungewear & Athleisure wear for women, men and kids and our business is characterized by rapidly changing customer preferences. This industry is highly competitive, where goodwill and reputation has a huge significance, any change in consumer's likes, preferences or a change in their demands regarding the quality and authenticity of our products, may negatively affect the image and reputation of our products and consequently that our Company. Further, such incidences may expose our Company to liabilities and claims, adversely affect our reputation, growth and profitability. For further details, see "Business Overview" on page 137.

12. If we fail to retain our relationships with manufacturers, distributors and sellers, or attract new relationships, our business, financial condition, cash flows and operations will be adversely affected.

We experience attrition in our relationships with manufacturers, distributors, and sellers in the ordinary course of business due to such relationships ceasing operations, temporarily or permanently, or facing financial distress or other business disruptions, contractual disputed, all of which could decrease the merchandise available to our consumers. In addition, a large part of our success is dependent on our ability to offer certain key brands within certain categories to our consumers and operate with such brand relationships. Although we have not experience any attrition with manufacturers and sellers which impact our business but If we experience significant relationship attrition with MBO's, manufacturers, distributors or sellers, and fail to attract new relationships, the quantity and variety of products that are offered through our platforms may decline, consumers may use our platform less frequently or not at all, and our revenue and results of operations may be adversely affected.

For further details, please refer chapter titled "Business Overview" beginning on Page 137 of Red Herring Prospectus.

13. If we fail to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability.

Our revenue from operations has grown from ₹ 12,852.93 Lakhs in Financial Year 2022 to ₹ 13,508.81 Lakhs in Financial Year 2023 and to ₹16,255.89 Lakhs in Financial Year 2024. However, we cannot assure you that our historical growth rates will be sustainable or achieved at all in the future. If we fail to acquire new consumers, or fail to do so in a cost-effective manner, we may not be able to increase our review or maintain profitability.

Maintaining and improving our marketing strategies involve expenditures which may be disproportionate to the revenue generated and customer acquired., There is risk of increased cost of acquiring new consumers through marketing efforts due to heightened competition for digital traffic. If consumer conversion rates are not commensurate with our expenditure, our expenditure may be disproportionate to our returns on such marketing investments.

Furthermore, we may have to incur sustained advertising and promotional expenditures or offer more incentives than we anticipate in order to attract consumers to our platform and websites and convert them into purchasing consumers. If one or more of our marketing efforts fails to deliver the expected outcome, our business, financial position and results of operations may be adversely affected.

14. The Application is filed against our Company for use of trademark in Intellectual Property Appellate Board, Chennai for removal of the Trade Mark. Any adverse outcome of the pending proceeding will impact the operations of our Company.



An application has been filed by the Tirupati Foam Limited for the removal / rectification of the trademark registered vide Application no. 536072 registered under class 25, on the grounds that the petitioner herein is the prior owner of the word “SWEET DREAMS” vide Trade Mark Registration no. 675303 under class 20 and that the Tirupati Foam Limited herein has incurred heavy expenses in advertisement of the said words and have created goodwill over time over the words. Further the Tirupati Foam Limited herein claims to have obtained Registration under Copy Right Act, 1957 in special circle logo “TF” and word “Sweet Dream” and claims to have statutory rights which is in force.

Further Tirupati Foam Limited has further claimed that the words “Sweet Dream” is the essence of the sought trade mark and other marks and accordingly have applied for rectification / removal of the mark herein. The said application for rectification of the mark and the same is pending with the concerned authority. The Trademark is assigned to our Company by our Promoter; hence any negative implication of such litigation will impact our brand and business operation of our Company.

For further details of certain material legal proceedings involving our Company, our Promoter, or directors, see “Financial Information” beginning on page 194 of this Draft Red Herring Prospectus.

15. Certain records of transfers involving the Promoters and records prior to 2006 are not traceable. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future or that we will be subject to any penalty imposed by the competent regulatory authority in this regard.

Records in relation to certain share transfers involving the Promoters are not traceable. Neither we nor our Promoters have been able to trace share transfer forms in relation to shares transferred by Mr. Nishu Jitendra Negandhi to Mr. Utpal Ruparelia of 5000 equity shares dated April 28, 2005. Moreover, Annual Return filed by Company for the year 2004-05 does not mention this transfer. For information regarding share transfer by and to our Promoters, see “Capital Structure – Build-up of Promoter’s shareholding in our Company” on page 75 of this Red Herring Prospectus. Further some of forms prior to the year 2006 are not traceable. Despite having conducted an extensive search of their records, they have not been able to retrieve the aforementioned documents, and accordingly, we have relied on other documents, including minutes of meetings of our board of directors and shareholders, as applicable, statutory registers (including share transfer registers) for this matter.

In relation to the above-mentioned transfer deeds and forms that are not traceable, we have relied on the report dated June 26, 2024 from Monika Chechani & Associates, Company Secretaries, basis review of the corporate filings made, and records maintained by our Company.

We cannot assure you that any legal proceedings or regulatory actions will not be initiated against our Company in future or that we will not be subject to any penalty imposed by any competent regulatory authority in this respect.

16. Failure in complying with quality control processes may have an adverse impact on our business, results of operations and financial conditions.

Our products may suffer from quality issues resulting from manufacturing or designing of the products or raw materials used in manufacturing the product. Our customers may also suffer from allergies that may cause skin inflammation, rashes, etc., if our raw materials are not of good quality which may consequently reduce our sales to a large extent or shut down our operations. We have implemented quality control processes such as fabric and garment inspection, quality audits, product quality tracking. However, since we procure large amounts of finished goods and assist our manufacturing partners in procuring large amounts of raw materials, it is difficult for us to inspect each of our products. Therefore, we rely on inspection methods such as random sampling of our products on a regular basis. As part of our quality control measures, we regularly inspect the premises, stores and warehouse.

As of July 31, 2024, we had a dedicated quality assurance team comprising of 12 employees responsible for ensuring compliance with our established quality standards. Quality audit processes are driven by a team of experienced personnel and further guided by constant engagement with manufacturing partners.

The returns on account of defects are negligible. There are returns due to change in size / colour / design requirements of customers, this generally gets exchanged by a new product of a different size / colour / design, basis the requirements of the customers. Goods returned

on account of mismatch in size /colour are thereafter sold to another end customer. Further, as regards the goods returned by EBOs, distributors, etc., for any reason, this inventory is then sent to different stores (including different geographies), e-commerce partners, etc., which is finally sold to the end customers.

The details of sales returns for last three years and stub period is as follows:

(Amount in Lakhs)			
Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Total Sales	19,933.51	16,101.49	14,859.60
Sales Return	3,688.24	2,612.13	2,013.14
Net Sales	16,245.27	13,489.36	12,846.46
In %	18.50%	16.22%	13.55%

Further, we cannot assure you that our third-party manufacturing partners will adhere to these standards and our quality control processes will not fail or the quality inspections will always be accurate. In case the quality of our products is not aligning with our standards, or our products are defective, our customers may return our products, or we may be required to recall or exchange such products. Such incidents may impact our reputation, which in turn may adversely affect our business, results of operations and financial condition. We also face the risk of facing legal proceedings and product liability claims being brought against us defective products sold. We could be asked to pay compensation and damages if such claims or lawsuits are determined against us which may also result in adverse publicity and impact our brand and customer goodwill.

For further details, please refer chapter titled “Business Overview” beginning on Page 137 of Draft Red Herring Prospectus.

17. The majority of our revenue from operations was derived from offline retail distribution channels. If we fail to grow our revenues from online sales, we will continue to remain dependent on offline sales channels and any attendant risks.

The majority of our revenue is derived from offline retail distribution channel, MBO’s and EBO’s. We envisage that we may continue to remain reliant on offline retail distribution channels in the near future, especially if we fail to grow revenues from online sales channels. Our online presence is through our website, www.sweetdreams.in, and various e-commerce marketplaces.

The table below sets forth a break-down of revenue from operations from our online and offline distribution channels for the periods indicated below:

(₹ in Lakhs)						
Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	In %	Revenue	In %	Revenue	In %
EBOs	1,089.42	6.71%	498.00	3.69%	401.21	3.12%
LFSs	1734.40	10.68%	1286.94	9.54%	972.87	7.57%
MBOs/ Distributors	10,273.45	63.24%	9,820.46	72.80%	9,326.53	72.60%
Online Channels	2,787.09	17.16%	1,274.86	9.45%	1,713.74	13.34%
Others	217.80	1.34%	370.75	2.75%	292.24	2.27%
Export	143.11	0.88%	238.34	1.77%	139.88	1.09%
TOTAL	16,245.27	100.00%	13,489.36	100.00%	12,846.46	100.00%

As on date of this Red Herring Prospectus, the majority of our revenue is derived from our offline channel and we will continue to remain dependent on offline distribution channels in the near future and any attendant risks, including supply chain disruptions, maintenance costs, store relocation requirements or lower than estimated footfalls. Accordingly, if we do not increase our revenues from online sales, we may not be able to compete with our competitors having a higher percentage of revenues from online sales channels. This may have an adverse impact on our future revenue from operations, profitability and business.

18. If we fail to identify and effectively respond to changing consumer preferences and spending patterns or changing fashion trends in a timely manner, the demand for products could decrease, causing our revenue and results of operations to decline.

Our revenue depends on the continued demand for the types of fashion products that our brand relationships, sellers and suppliers offer on our platforms, alongside demand and expansion of our owned brand products. The popularity and demand of sleepwear products may

vary over time due to changing consumer preferences. Decline in the demand for some of the products without a corresponding increase in demand for alternative products sold through our platforms could negatively impact our revenue temporarily or permanently. These trends may also cause fluctuations in our results of operations between different periods.

The products are subject to rapidly changing fashion trends and constantly evolving consumer tastes and demands. Our success is also dependent on the ability of our sellers and distributors selling products through our marketplace to anticipate, identify and respond to the latest fashion trends and consumer demands and to translate such trends and demands into product offerings in a timely manner, adapt to customer preferences, and our ability to continue upgrading our platforms in a manner so as to cater to evolving consumer preferences.

If we fail to recognise and adapt to such acceptance and preference, our revenue will be reduced, which could negatively affect our business, financial condition, cash flows and results of operations.

For further details, please refer chapter titled “Business Overview” beginning on Page 137 of Red Herring Prospectus.

19. Our success is dependent on our Promoter, management team and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoter or Managing Director and Whole Time Director may have an adverse effect on our business prospects.

Our Promoter, Managing Director, Whole Time Director and management team have significantly contributed to the growth of our business, and our future success is dependent on the continued services of our management team. Our Managing Director Mr. Hitesh Pravinchandra Ruparelia and whole-time Director Mr. Utpalbhai Pravinchandra Ruparelia are having experience of 20 years each in the sleepwear Industry which turn out beneficial for the Company. An inability to retain any key managerial personnel may have an adverse effect on our operations. Our ability to execute contracts and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

For further details of our Promoters and Management, please refer chapter titled “Our Promoters and Promoter Group” and “Our Management” beginning on Page 187 & 175 of this Red Herring Prospectus.

20. Our business depends on continual purchases of our products and timely payments by our franchise stores, both in short and long term. Any delay or failure in sale of products or payments at our franchise stores or any disputes with franchisees may adversely impact our business, cash flows and results of operations.

As on March 31, 2024, out of the total 23 EBOs, 4.35% are COCO i.e. 1, 60.87% are COFO i.e. 14 and 34.78% are FOFO i.e. 8. In the FOFO model, we dispatch our finished goods to our franchisee owned EBOs, who then sell the products to end-consumers. The details in relation to the revenue generated from our EBOs Sales for the below mentioned time periods are mentioned in the following table:

(In Lakhs)

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	In %	Revenue	In %	Revenue	In %
COCO	61.45	5.64	70.01	14.06	50.82	12.67
COFO	528.69	48.53	17.39	3.49	0.00	0.00
FOFO	499.28	45.83	410.60	82.45	350.39	87.33
Total	1089.42	100.00	498.00	100.00	401.21	100.00

Macroeconomic conditions, which are beyond our control, could also result in financial difficulties for our franchisee and retailing customers, including limited access to the credit markets, insolvency or bankruptcy. Limited consumer demand may also impact the cash flows and ability to purchase products from us.

Such conditions could cause our counterparties to delay payment, request modifications to their payment terms, or default on their payment obligations to us, all of which could increase our trade receivables and/or write-offs of trade receivables, as well as our cash flows. For the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, there are no such amount for trade receivables

that were written off so far. As per the terms of sale, our Company books revenue upon sale of goods to the franchisee. The franchisee outlets are supposed to make payment to our Company upon actual sale of the goods at the counter to the end customer. The unsold inventory effectively represents the amount receivable from the franchisee. The Franchisee keeps a deposit with our Company as per the risk management strategy of our Company. Though this had no adverse impact on the Company's business or results of operations we cannot assure that if such instances occur in the future there will be no adverse impact on our Company.

21. *The loss, shutdown or slowdown of operations of our facility or the under-utilization of any such facility may have a material effect on our results of operations and financial condition.*

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes at our facility which majorly focus on designing and on our ability to optimally utilize our processing capacities for the various products we design and manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facility due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- Severe weather condition;
- Interruption of our information technology systems that facilitate the management of our manufacturing facility; and
- Other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

Although our production facility have not experienced any material disruption in the past, there can be no assurance that there will not be any material disruption to our operations in the future. If we fail to take adequate steps to mitigate the likelihood or potential impact of these events, or to effectively respond to these events if they occur, our business, results of operations and financial condition could be materially affected.

In addition, our customer rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Any disruption of operations of our manufacturing facility could result in delayed delivery of our products or defects in the garments delivered to our customers, which in turn may lead to disputes and legal proceedings with them on account of any losses suffered by them or any interruption of their business operations due to such delay or defect. Our business and financial results may be adversely affected by any disruption of operations of our manufacturing facility, on account of factors including any or all of the factors mentioned above.

For Further details, please refer to chapter titled "Business Overview" beginning on Page 137 of this Red Herring Prospectus.

22. *We are exposed to the risks associated with leasing real estate in case we are unable to comply with the terms and conditions of the lease agreements then we may shift our EBOs to new locations, which may adversely affect our business, cash flows, results of operations and financial condition*

The ongoing number of our EBOs as on the below mentioned time periods, are as follows:

Particulars	Period ended March 31, 2024	As on date of this RHP
Number of EBOs	23	33

All of our EBOs operate in leased premises, which exposes us to the risks associated with fluctuations in rental markets. For further details, see "Business Overview – Properties" on page 137.

While we have an option of renewing the lease agreements for our EBOs, leased in favor of our Company, we may need to renegotiate the terms of renewal of the lease agreement with the lessor, on favorable terms mutually agreed upon by us and the lessor. In case we fail to renew these lease agreements in a timely manner, or at all, it may adversely affect our business, and results of operations. We are unable to guarantee that we will be able to fully adhere to all the terms of the lease agreements, renew such lease agreement or enter into a new lease agreement in the future, on terms that are favourable to us, or at all. We are subject to a lock-in provision under majority of our lease agreements which may restrict our ability to terminate such leases, even when the EBO situated at such leased premises is no

longer profitable for us. In case we do not have the option of renewal of a lease agreement for our EBOs on acceptable terms, we may have to close or relocate such EBOs which will have an impact on the sales of the products and revenues earned at such EBOs. This may subject us to additional costs and risks incurred while opening new EBOs

The sale of our products depends on the location of the EBOs. We strive to make our products available at EBOs which are located in strategic locations and highly populated areas so as to attract customers. We cannot assure you that the current locations of the EBOs operated by us will continue to be attractive or profitable with change in demographics or renewal of the lease agreements on less favorable terms to us. Adverse effects on the economic conditions where our EBOs are located may cause a decline in our sales at EBOs situated in such locations. However, in case the areas where our EBOs are located improve and real estate prices increase, such that it may not be proportionate to the sales carried out in such location, and such locations may not be profitable for our business, and we may reassess the feasibility of such EBOs.

Additionally, lessors have the ability to terminate lease agreements before the expiration of their term, including noncompliance of the terms of the agreement by us or if we are unable to pay rent for an extended period of time. Further, we may also face the risk of being evicted in case our lessors allege a breach on our part of any terms under the lease agreements and there is no assurance that we will be able to identify suitable locations to re-locate our EBOs. Although no such incidents have occurred in the past, we cannot assure you that such instances will not occur in future. In the event such incidents occur, our business, financial condition and results of operation may be adversely affected.

For further details, please refer chapter titled “Business Overview” beginning on Page 137 of Red Herring Prospectus.

23. *There are outstanding legal proceedings involving our Company, Directors and Promoters. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.*

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities.

We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceedings involving the Company is provided below:

Cases against our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	5	48.30
Other Litigation	3	651.47

Cases By our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	17	108.53
Statutory/ Regulatory Authorities	--	--
Taxation Matters	--	--
Other Litigation	2	6.26

For further details of legal proceedings involving the Company, please see “Outstanding Litigations and Material Developments” beginning on page 209 of this Red Herring Prospectus.

24. *Our sales relation to fashion are subject to seasonal variations that could result in fluctuations in our results of operations.*

As a sleepwear retailer, we do not see much of seasonal fluctuations as we deal in all day essential products. On the other hand, our fashion would have an increase in our business before Diwali and during end of season sales. We are therefore impacted by seasonal variations in sales volumes in our fashion category products, which may cause our revenues to vary between different quarters in a

Fiscal. Our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful or may not be indicative of our annual financial results or our results in any future quarters or periods.

As a result, we will be vulnerable to demand and pricing shifts and to suboptimal selection and timing of merchandise production. If sales do not meet expectations, too much inventory may lower planned margins. Our brand image may also suffer if customers believe we are no longer able to offer the latest fashion. The occurrence of these events could adversely affect our cash flows, financial condition and business operations.

25. *Our company has entered into Distributor Agreements with the various parties for selling products. Any termination of such agreements may have adverse effect on our business, prospects, results of operations and financial condition.*

Our company has entered into distributor Agreement with various parties to sell the said goods under the brand name of “SWEET DREAMS” on Out Right Basis. Any termination or expiration of agreement will affect our business operations which will affect our future prospects, growth and profitability of our company.

For further details, please refer section titled “Business Overview” beginning on Page 137 of Red Herring Prospectus.

26. *We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain such registrations would adversely affect our operations, results of operations and financial condition.*

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to conversion of company from Private Company to public Company. Further we have recently shifted our factory from Survey No. 177, Near Eicher Service Centre, Laxmipura, Lambha, Ahmedabad, Gujarat – 382405, India to 12, Ratnam Industrial Hub, Ode-Pirana Road, Ahmedabad Gujarat – 382427, the shifting of factory was due to operational efficiency and near to warehouses and company has obtained all necessary licences for old factory and has applied change in factory address in all applicable licenses.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations. Furthermore, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see “Government and Other Approvals” on page 218 of this Draft Red Herring Prospectus.

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

27. *Our Company is well placed in North and West regions with respect to retail network through EBO’s and also targeting South and East for further development. Non acceptance of our brand and failure to establish our retail network in South and East region will impact our business operations of our Company.*

As of March 31, 2024, we have established a pan-India presence through various touchpoints, which include exclusive brand outlets (EBOs), large format stores (LFS), and multi-brand outlets (MBOs). Our reach spans from major metropolitan areas to Tier-3 cities. Our EBOs are our experience centers. We have a team put in place for opening EBOs that spans from dealmaking and negotiating to furnishing and hiring sales staff. Currently, we are predominantly in the North and West regions and aim to deepen our penetration there

while also targeting the South and East for further development.

Our approach initially focuses on tier I cities, but we will also establish EBOs in tier II and III cities to capitalize on the growth in these areas, leveraging our store network, we aim to tap into this opportunity while maintaining quality and providing a consistent customer experience. Any failure in establishment of our retail stores network in South and East region or in Tier II and Tier III cities will impact our brand and business operations of our Company.

In addition to above, our Company is raising fund for setting up of an EBO's as one of the Object for the Issue. We have not identified the locations for opening of the EBO's as on date but in case we plan to open EBO's in South and East region or in Tier II and Tier III cities and we may not able to successfully establish our retail network in such regions, our revenue and profit will be significantly affected.

28. *We have not identified any alternate source of raising the fund for expansion of EBOs and working capital mentioned as our 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

Our Company has not identified any alternate source of funding our expansion of EBOs and our working capital requirement and for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may require our Company to borrow funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, please refer chapter titled "Object for the Issue" beginning on Page 99 of this Draft Red Herring Prospectus.

29. *Our directors do not have experience of a listed company and in the absence of such experience, it could adversely affect our corporate governance and business operations of our Company.*

In the realm of corporate governance and leadership, the experience of directors plays a crucial role in steering the course of a company. It is often perceived that directors with prior experience in listed companies bring invaluable insights, knowledge, and strategic acumen to the boardroom. Furthermore, the absence of listed company experience among directors may limit their ability to effectively oversee risk management frameworks and succession planning strategies. These oversight responsibilities are critical in mitigating operational risks, ensuring organizational resilience, and safeguarding against potential conflicts of interest or ethical lapses. Although our company's board of directors is pivotal in shaping its strategic direction, ensuring regulatory compliance, and safeguarding stakeholder interests.

Further, our directors lack of direct experience in a listed environment may inadvertently expose the company to the risk of corporate governance and affect the business operation of our Company.

30. *Our company manufactures nightwear through contract or job work arrangements, with a significant portion of our job workers located in Gujarat, Maharashtra, and Punjab. Any disruptions in these regions would adversely affect our production and business operations.*

The Concentration of our Job worker in state of Gujarat, Maharashtra and Punjab may possess risk such as relying heavily on job workers can lead to dependency issues, especially if these workers are concentrated in specific regions. Any disruption in these areas (such as strikes, regulatory changes, or natural disasters) can severely impact production schedules and supply chain continuity. In addition, dependency on specific regions increases vulnerability to logistical challenges. For instance, delays in transportation or availability of raw materials can escalate if the workforce in these states is affected and inefficiencies may arise from depending on job workers in specific regions. Transportation costs, wages, and other operational expenses can fluctuate based on regional factors such as demand for labor, local economic conditions, and regulatory changes. This can impact overall cost structures and operational efficiency.

Concentrating job workers in specific regions may limit the company's strategic flexibility and agility. Diversifying supplier bases geographically allows for better risk management and responsiveness to market changes or disruptions in specific regions. Further to mitigate these risks, we may consider diversifying our supplier base geographically, investing in technology, maintaining strong relationships with suppliers and subcontractors, and staying informed about regional labor regulations and market dynamics. Developing contingency plans and risk management strategies can also help mitigate the impact of disruptions in specific regions.

- 31. *We rely on outsourcing of our production processes and activities to third-parties. Any inability to obtain sufficient quantities of processed material of the requisite quality in a timely manner and at acceptable prices, or a slowdown, shutdown or disruption in such third parties' operations and performance, could adversely affect our business, results of operations and financial condition.***

Currently, we outsource majority of our production process to third party manufacturers. We rely on these third parties to provide us with an uninterrupted supply of our products. However, we cannot assure you that they may do so in a timely manner, or if at all. These third parties may decide not to accept our future orders on the same or similar terms, or at all. We may face the risk of our competitors offering them better terms, which may cause them to cater to our competitors alongside, or even instead of us. They may discontinue their work on short notice and our production process may be stalled or hindered due to this. Conversely, due to increased customer demand for our products, we may need to obtain more products from more third parties, and any inability to do so may render us unable to execute our growth strategy.

Additionally, our job workers manufacturing facilities may be subject to operating risks, such as performance below expected levels of efficiency, excessive wastage of raw materials, delays in production, decrease in quality of products made, labor disputes, natural disasters, industrial accidents, interruptions in power supply and statutory and regulatory restrictions. Any non-compliance by our jobbers with the applicable laws which may result in a shutdown of their facilities, could result in the delay or non-availability of the delivery of our products. In addition, we cannot ensure that the processes done by them on products will be of satisfactory quality. Any failure to adhere with quality may damage our reputation, and adversely affect our business, results of operations and financial condition. Any defects in the products they supply could expose us to product liability or damage our reputation and reduce demand for our products. If our jobbers perform unsatisfactorily, substantially reduce their volume of supply, substantially increase their prices or terminate their business relationship with us, the cost and time required to manufacture our products would increase. We may also need to replace jobbers or take other remedial actions. Any deficiency in the quality of products that our jobbers supply to us may adversely affect our business, financial condition and results of operations.

For further details, please refer section titled “Business Overview” beginning on Page 137 of Red Herring Prospectus.

- 32. *Negative review from customers may have an adverse impact on our brand reputation and our ability to market our products. This may result in decline in sales and profitability of our Company.***

Negative reviews from customers in relation to the quality of our products, dissatisfaction amongst our suppliers, inability to deliver quality products at competitive prices and adverse accidents/incidents at our stores and/or warehouses could adversely affect the public perception of our brand which consequently would adversely impact our business and results of operations. As there are no such instance has been experienced by our Company in the past. Further, we periodically conduct multiple levels of quality checks, and our personnel are stationed at facilities to inspect fabrics and garments of our suppliers to enable us to maintain the desired quality of products. In order to address such grievances, we have a team that works on our Company's online reputation management and resolves various grievances and reviews shared by our customers. The online reputation management team responds to the grievances shared by the customers. There is no assurance that such instances will not occur in the future.

- 33. *The properties used by the Company for the purpose of its operations are not owned by us. Any termination of the relevant lease agreements or rent agreements in connection with such properties or our failure to renew the same could adversely affect our operations.***

Our registered office is located at C-929, Stratum at Venus Ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi (Ahmedabad), Gujarat-380006, India and the same is not owned by us. We have obtained this property from Venus Infrastructure and Developers Pvt. Ltd. through a Lease deed dated April 17, 2023 for a period of 9 (nine) years. Also, our registered office is shared with one of our corporate promoter Sweet Dreams Loungewear (India) LLP. Further, Other Factory and warehouse are also taken on lease. Any termination of the lease in connection with the above property or our failure to renew the same, in a timely manner or at all could adversely affect our operations.

If we are required to vacate the current premises, we would be required to make alternative arrangements for our business activities and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

For details regarding properties taken on lease refer the Section titled —Properties – “Business Overview” beginning on page no. 137

of this Red Herring Prospectus.

34. Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability

Our top ten customers have contributed 39.99%, 37.75% and 42.00% of our revenues for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 based on Restated Financial Statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Details of our top customers is as follows:

(In Lakhs)

Customers	March 31, 2024	March 31, 2023	March 31, 2022
Top 1	1364.39	992.84	1194.39
Top 3	3557.81	2546.40	2952.67
Top 5	4876.29	3609.48	4005.00
Top 10	6495.87	5091.60	5395.00

We could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

Accordingly, we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long term relationships with our customers, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

35. Our top ten suppliers contribute majority of our purchases. Any loss of business with one or more of them may adversely affect our business operations and profitability

Our top ten suppliers contributed approximately 52.37%, 56.69% and 47.51% of our total purchases for the year ended March 31 2024, March 31,2023 and March 31, 2022 based on Restated Financial Statements. However, our top suppliers may vary from period to period depending on the demand-supply mechanism and thus the supply process from these suppliers might change as we continue to seek more cost effective suppliers in normal course of business.

Since our business is concentrated among relatively few significant suppliers, we could experience a reduction in our purchases and business operations if we lose one or more of these suppliers, including but not limited on account of any dispute or disqualification. While we believe we have maintained good and long term relationships with our other suppliers too, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall do the same quantum of business, or any business at all, with these customers, and loss of business with one or more of them may adversely affect our purchases and business operations.

36. We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.

As of March 31, 2024, our short-term borrowings were 4,354.72 Lakhs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our ability to borrow additional amounts in the future;
- affecting our capital adequacy requirements; and
- Increasing our finance costs.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part,

together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. Also, our company has not yet received Consent from Banker to the Company. For further details of our Company's borrowings, see "Financial Information of our Company" on page 194 of this Red Herring Prospectus.

37. *We may not be able to prevent unauthorised use of trademarks obtained/ applied for by third parties, which may lead to the dilution of our goodwill*

We have obtained trademark registrations of our brands, including "SWEET DREAMS" under class 25 and 35 under the Trade Marks Act, 1999 ("Trade Marks Act") and other trademarks, please refer to chapter titled "Government and Other Approvals" beginning on page 218 for all trademarks, any unauthorized use of our trademarks, by unrelated third parties may damage our reputation and brand. Preventing trademark infringement, particularly in India, is difficult, costly and time-consuming. The measures we take to protect our trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects.

Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

For further details, please refer to chapter titled "Government and Other Approvals" beginning on page 218 of the Red Herring Prospectus.

38. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an effect on our business, results of operations and financial condition.*

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to developed relationships with customer. For further details, see the section titled "Business Overview" on page 137 of this Red Herring Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our product;
- Changes in the Indian regulatory environment in field of Sleepwear industry

There can be no assurance that we will be able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. We cannot assure you that we will not face any time or cost overruns in respect of implementation of our strategies in the future. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have effect on our business, financial condition and profitability.

39. *We have an agreement which confers nomination rights to certain of our existing shareholders.*

Pursuant to the Investor's Agreement, details of which appear in the section "History and certain corporate matters", our existing shareholders, Chanakya Corporate Services Private limited and Chanakya Value Creation LLP, has the right to nominate one director on the Board of our Company. In addition to above the Investor Shareholders vide letter dated July 13, 2024 have waive their right as per Investment Agreement dated December 05, 2017 on filing of RHP in RoC.

For details, see 'History and certain corporate matters - Summary of Key Agreements and Shareholders' Agreements' on page 171 of this Red Herring Prospectus.

40. *The COVID-19 pandemic has had an adverse effect, and any future pandemic may have adverse effects on our business, results of operations, financial condition and cash flows.*

COVID-19 pandemic or any future pandemic, may have a negative impact on our business and operations because they affect the markets and communities in which we, our franchisees, our manufacturing partners and suppliers from whom we source our raw materials operate, as well as our customers. The COVID-19 outbreak, which was initially reported in December 2019, has spread globally and the virus has undergone multiple mutations, however the created vaccinations have typically lowered infection rates and fatalities. Any pandemic or widespread public health crises could have effects on regional, national, and international financial markets, as the COVID-19 pandemic has. The COVID-19 outbreak has had a major and negative impact on economic activity, added to significant volatility, and put pressure on financial markets in several nations and regions, including India.

Public health officials and governmental authorities across the globe have reacted to the COVID-19 pandemic's rapidly changing effects by implementing measures, including in India, where our business operations are based. These measures include prohibiting large-scale gatherings of people, enforcing quarantines, limiting travel, issuing "stay-at-home" orders, and restricting the kinds of businesses that may continue to operate, among many others. India's declaration of COVID-19 as a "notified disaster" for the purposes of the Disaster Management Act, 2005 on March 14, 2020, and the subsequent imposition of a state-wide lockdowns beginning on March 25, 2020, have had an effect on business operations in the sector in which we are engaged.

There was a decline in the sale of our products due to the lock down and restrictions imposed by the government in lieu of COVID-19 pandemic in the Financial Year ended March 31, 2021, thereby adversely affecting customer demand for our products. Our revenue from operations was comparatively lower in the Financial Year ended March 31, 2021, that is, ₹ 9622.63 Lakhs, which increased to ₹ 12852.93 Lakhs for the Financial Year ended March 31, 2022 and to ₹ 13508.81 Lakhs in Financial Year ended March 31, 2023, that is, by 33.57% and 40.39%, respectively compared to revenue from operations for the Financial Year ended March 31, 2021. Further our profit after tax for the Financial Year ended March 31, 2021 which was 0.39% of total revenue from operations which was further increased to 7.87% for the Financial Year ended March 31, 2022.

The manufacturing of our products is outsourced by us to our manufacturing partners and during COVID-19 we witnessed a delay in receiving finished products from our manufacturing partners on account of the issues faced by them in carrying out the manufacturing process. Accordingly, we were unable to make further sales to consumers.

41. *The unsecured loan availed by our Company from Director and Promoter group may be recalled at any given point of time.*

Our Company has been availing unsecured loans from Directors and Promoter group from time to time. The total outstanding payable to them as on March 31, 2024 amounts to Rs. 575.15 Lakhs. Although there are no terms and condition prescribed for repayment of unsecured loan which can be recalled at any given point of time during ordinary course of business and thus may affect the business operations and financial performance of our Company.

For further details regarding loans availed by our Company, please refer "Financial Information of our Company" on page 194 of this Red Herring Prospectus.

42. *Any deficiency in our products could make our Company liable for client claims, which in turn could affect our Company's results of operations.*

Our Company is bound by the terms and conditions as placed before its clients. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these clients for deficiency in our products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company's results of operations.

For further details, please refer section titled "Business Overview" beginning on Page 137 of Red Herring Prospectus.

43. *We have significant power requirements for continuous running of our factory. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.*

Our factory has significant electricity requirements and any interruption in power supply may disrupt our operations. Our business and financial results may be affected by any disruption of operations. We depend on third parties for all of our power requirements. Further,

we have limited options in relation to maintenance of power back-ups such as diesel generator sets and any increase in diesel prices will increase our operating expenses which may impact our business margins.

Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of factory and production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in area from where we operate due to which in case of a price hike we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations.

For Further details, please refer to chapter titled “Business Overview” beginning on Page 137 of this Red Herring Prospectus.

44. *If we are unable to protect the data related to electronic mode of payments, or any other personal information that we collect from customers, our brand reputation could be significantly harmed.*

We are associated with the risk of security and privacy breaches due to the usage of electronic payment methods and the gathering of personal information from customers. Although we rely on firewalls, web content filtering, encryption, and authentication technologies among other security measures, unauthorised use of, or improper access to, our networks, computer systems, or services might possibly compromise the security of such sensitive information of customers. We may not be able to predict breaches or put adequate prevention measures in place. We are unable to guarantee that any security measures we implement will be successful in preventing these actions. In order to prevent security breaches or to deal with the consequences of such breaches, we might need to expend resources to protect our business against such security breaches. While there have been no instances of breaches of our data in the past, we cannot guarantee that our integrity of data collected by us, or our information systems may not be infringed in the future.

If people are able to circumvent our security measures or otherwise gain access to the confidential information that we collect, they may be able to destroy or steal valuable information or otherwise disrupt our operations. We may become subject to claims for alleged fraudulent transactions arising out of the actual or alleged theft of personal information in relation to their mode of payments such as debit or credit card, and we may also be subject to lawsuits or other proceedings relating to these types of incidents. Any such claim or proceeding could cause us to incur significant unplanned expenses, which may have an adverse impact on our financial condition, results of operations and cash flows. Further, adverse publicity resulting from these allegations could significantly harm our reputation and may have a material adverse effect on us and our stores.

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

Our Company is engaged in the business of manufacturing of Sleepwear, loungewear & Athleisure wear for women, men and kids. Therefore, we are highly dependent on good type of fabric.

We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. We rely on pre-booking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacturing of our products, could have a material adverse effect on our business. Further, any discontinuation or a failure of these suppliers to adhere to the delivery schedule or failure to deliver the required quality and quantity could hamper our manufacturing schedule.

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

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

Our Company has long standing business relationships with certain customers and has been supplying our products to such customers. However, we have not entered into any long term contracts with these customers and we cater to them on purchase order basis. We are

bound to comply with different terms and conditions stipulated in the purchase orders failing to which led to termination or cancellation of the purchase orders by our customers. Our customers may also terminate their relationships with us without any notice which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products and customer's inventory management. Although we place a strong emphasis on quality, timely delivery of our products, etc., in the absence of contracts, any sudden change in the buying pattern of customers could adversely affect the business and the profitability of our Company.

47. We are dependent on third-party transportation providers for the supply of raw materials and delivery of our products.

As an sleep wears manufacturing business, our success depends on the uninterrupted supply and transportation of the various raw materials required in the manufacture of our products and of our products from manufacturing facility to our customers, or intermediate delivery points such as our warehouse and stores, that are subject to various uncertainties and risks. We transport our raw materials and our finished products by road. We rely on our suppliers, third party logistic companies and freight forwarders to deliver our raw materials and finished products. In Fiscal 2022, 2023 and 2024, we incurred ₹268.32 Lakhs, ₹258.78 Lakhs and ₹282.79 Lakhs as delivery and transportation charges that accounted for 2.29%, 1.99% and 1.85% of our total expenses. Although, we do not rely on limited vendors for transportation of our raw materials or finished products, transportation strikes may have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation negatively. A failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations. Any recompense received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

48. If we launch any new products which are not successful in the market as we anticipate, our business, cash flows, results of operations and financial condition may be adversely affected.

We may launch additional products in the future in order to effectively market a wide range of apparel or other products. We are focused on a journey of reinvention and growth of our business to attract new customers to our brand. Our design team is currently considering designing a line of Athleisure, workout wear, etc which include non-sleepwear products such as workout wear, track suits, Athleisure, sweatshirts, Work leisure pants etc. that will complement our existing offerings.

We cannot assure you that the products we may launch will accurately reflect the prevailing fashion trends or be well-received by our customers and the market, and in case our products are not successful with the customers then our brand reputation may adversely suffer. Although, there have no instances in the past where any of our products have failed in the market or have been sold at less than desired quantities, there may be products from our portfolio which may not find favour with consumers or may not sell in desired quantities in the future. Further, we cannot assure you that we will be able to recover costs incurred in developing these products and brands, or earn adequate profits and profit margins on such launches. This may have an adverse impact on our business, results of operations and financial conditions and also divert the attention of our management and cost us operational and financial resources.

49. Any increase in or occurrence of our contingent liabilities and commitments may adversely affect our financial condition.

As of March 31, 2024 our contingent liabilities as indicated in our restated statements are as follows:

Particulars	Amount (Rs. In Lakhs) as on March 31, 2024
Contingent Liabilities – Related to Service Tax/ GST	39.93
Contingent Liabilities – Related to Income Tax	5.10

Any increase in our contingent liabilities or occurrence of these liabilities may materially and adversely affect our financial position, results of operations and cash flows. For further details of our contingent liabilities, Please refer to section titled “Financial Information of our Company” beginning on Page 194 of this Red Herring Prospectus.

50. Any failure in our quality control processes may adversely affect our business, results of operations and financial condition.

We may face product liability claims and legal proceedings if the quality of our products does not meet our customers’ expectations. Our products might have certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence, and human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the quality standards by our customers and agencies as deviation from the same may cause them to reject our products and cause damage to our reputation, market standing and brand value. In the event the quality of our products is sub-standard or our products suffer from defects and are returned by our customers due to quality complaints, we may be compelled to take back the sub-standard products and reimburse the cost paid by our customers. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which may have a severe impact on our revenue and business operations. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. Although we have not experienced any such instance in past. But we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and image, as well as entail significant costs.

51. Our inability to manage inventory in an effective manner could affect our business.

Our business model requires us to maintain a certain level of inventory of our raw material, to meet the present and future orders. If we underestimate the orders that we may receive we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses.

52. Orders placed by customers may be delayed, modified, cancelled or not fully paid for, which may have an adverse effect on our business, financial condition and thereby on our results of operations.

We may encounter predicaments in executing the orders placed by our customer or executing it on a timely basis. Moreover, there are factors which may be beyond our control or in the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, which may result in the postponement of executing or delivering of the necessary product(s) or cause its cancellation. Further, even though we execute orders as placed by our customers, the order could be cancelled or there could be any changes in delivery of the products. Accordingly, it is difficult to predict with certainty if, when and to what extent the delivery of the orders placed will be made. Failure to deliver our orders on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our revenue, cost of operation and thereby our business functioning.

53. Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.

As on March 31, 2024, our total secured borrowings amounted to Rs. 3779.57 Lakhs from Banks. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards to fund working capital requirements, capital expenditures and other general corporate purposes;
- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and

- Our financing agreements require us to obtain the consent of, or to intimate, our lenders for certain actions including change in shareholding or directorship of our Company, remuneration to Directors, drawdown of further loans, issuance of guarantees, and for certain corporate actions, including alterations to our Memorandum and Articles of Association, Payment of Dividend and balance of unsecured loan of Director. Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

For further details of our loans, please refer chapter titled "Financial Information of our Company" beginning on Page 194 of this Red Herring Prospectus.

54. *We are subject to the risk of failure of, or a material weakness in, our internal control systems and major fraud, lapses of internal control or system failures could adversely impact the company's business.*

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Although we have not experienced any instances of the failure of internal control systems in the past. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our collection related processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

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.

55. *We have entered into and may enter into related party transactions in the future also.*

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge. Our Company had entered into various transactions with our Promoter, Promoter Group, Directors and their Relatives and Group Companies. These transactions, inter-alia includes salary, Rent, loans and advances, interest and services provided etc. Our Company entered into such transactions due to easy proximity and quick execution. The transactions are in compliances with Companies Act, 2013 and other applicable regulations.

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

For further details of our related party transactions, please refer chapter titled "Financial Information of our Company" beginning on Page 194 of this Red Herring Prospectus.

56. *We have significant ongoing funding requirements and may not be able to raise additional capital in the future. As a result, we may not be able to respond to business opportunities, challenges or unforeseen circumstances.*

Our major fund based financial assistance has been sanctioned by the bank, i.e., the HDFC Bank Limited on the security of assets. The Company is dependent on HDFC Bank Limited for its Working Capital requirement and any default under such arrangement with such

lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also affect the financial position of the Company. If we are unable in the future to generate sufficient cash flow from operations or borrow the necessary capital to fund our future capital expenditures, we will be forced to limit our growth. In addition, we may not be able to service our existing customers or to acquire new customers. The inability to raise additional capital on acceptable terms could have a effect on our business, results of operations and financial condition.

For further details of our loans, please refer chapter titled “Financial Information of our Company” beginning on Page 194 of this Red Herring Prospectus.

57. *If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.*

We benefit from certain general tax regulations and incentives that accord favorable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter “Statement of Possible Tax Benefits” on page 121 of this Red Herring Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “Dividend Policy” on page 193 of this Red Herring Prospectus.

59. *We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.*

Our Company had reported certain negative cash flows from operating, investing activities and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

Particulars	(Rs. in Lakhs)		
	For the year ended March 31,		
	2024	2023	2022
Cash flow from Operating Activities	(1219.11)	112.24	(251.52)
Cash flow from Investing Activities	(478.59)	(132.65)	(88.03)
Cash flow from Financing Activities	2031.06	37.85	304.36

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled “Financial Information of our company” beginning on Page 194 of this Red Herring Prospectus.

60. *Our Promoter and Executive Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.*

Our Promoter and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our

Promoter and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see “Our Management” and “Our Promoter and Promoter Group” on pages 175 and 187 respectively of this Red Herring Prospectus.

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

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including related to our registered office, our movable property, provide appropriate coverage in relation to fire, explosions, floods, inundations, earthquakes, landslides we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

For further details of Insurances taken by Company, please refer chapter titled “Business Overview” beginning on Page 137 of this Red Herring Prospectus.

62. *Our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.*

Our Company intends to primarily use the Net Proceeds towards the expansion of EBOs and working capital requirement and for general corporate purposes as described in “Objects of the Issue” on page 99 of this Red Herring Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change, further the funds will utilized as per the applicable laws.

Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

63. *Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.*

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

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- changes in India’s tax, trade, fiscal or monetary policies;
- 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
- prevailing regional or global economic conditions, including in India’s principal export markets; and
- Other significant regulatory or economic developments in or affecting India or its sleepwear industry.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

64. *The future operating results are difficult to predict and may fluctuate or adversely vary from the past performance.*

The company's operating results may fluctuate or adversely vary from past performances in the future due to a number of factors, many of which are beyond the company's control. The results of operations during any financial year or from period to period may differ from one another or from the expected results operation. Its business, results of operations and financial condition may be adversely affected by, inter alia, a decrease in the growth and demand for the products and services offered by the us or any strategic alliances which may subsequently become a liability or non-profitable. Due to various reasons including the above, the future performance may fluctuate or adversely vary from our past performances and may not be predictable. In addition, we have experienced fluctuations in profit margins i.e., in Financial Year 2022, our revenue from operations was Rs 12852.93 Lakhs and profit After Tax was Rs. 1011.06 Lakhs comparing to the financial year ended 2023 our revenue from operations was Rs 13508.81 Lakhs and profit After Tax was Rs. 430.17 Lakhs. Further in the Financial year ended 2024 our revenue from operations was Rs 16255.89 Lakhs and profit After Tax was Rs. 759.76 Lakhs

For further details of our operating results, section titled "Financial Information of our Company" beginning on Page 194 of this Red Herring Prospectus.

65. *We have not independently verified certain data in this Red Herring Prospectus.*

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

66. *We are susceptible to risks relating to unionization of our workers employed by us.*

None of our workers are currently represented by a recognized collective bargaining agreement. We cannot assure you that our workers will not unionize at our facility or at our manufacturing partners facility, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our products to our clients, cause clients to limit their use of our products or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

67. *Any Penalty or demand raise by statutory authorities in future will affect our financial position of the Company.*

Our Company is mainly engaged in business of Manufacturer and Retailer of Sleepwear, Loungewear & Athleisure wear for women, men and kids which attracts tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For detail, please refer "Outstanding Litigations and Material Development" beginning on page 209 of this Red Herring Prospectus. Any such penalty arising in future may lead to financial loss to our Company.

68. *Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.*

We propose to utilize the Net Proceeds for raising funds for capital expenditure, working capital Requirement and general corporate purpose. For further details of the proposed objects of the Issue, please refer the chapter titled "Objects of the Issue" beginning on Page No. 99 of this Red Herring Prospectus. At this juncture, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any

variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

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

In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

69. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] of the Issue Proceed. As on date we have not identified the use of such funds.*

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details please refer the chapter titled "Objects of the Issue" beginning on Page No. 99 of this Red Herring Prospectus.

70. *We have in the last 12 months issued Equity Shares at a price that may be at lower than the Issue Price.*

In the last 12 months we may have issued fresh Equity Shares to the promoter and other shareholders of our Company which are as follows:-

- Bonus issue in the ratio of 1:1 dated July 8, 2023 issuing 6,25,563 Equity shares face value ₹ 10/- per Equity Share for consideration other than cash.
- Bonus issue in the ratio of 10:1 dated May 01, 2024 issuing 1,25,11,260 Equity shares face value ₹ 10/- per Equity Share for consideration other than cash.

For Further details of equity shares issued, please refer to the chapter titled "Capital Structure" beginning on page 75 of the Red Herring Prospectus.

71. *The average cost of acquisition of Equity Shares by our Promoter could be lower than the Issue Price.*

Our Promoter average cost of acquisition of Equity Shares in our Company is lower than the Issue Price decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters "Capital Structure" beginning on pages 75 of this Red Herring Prospectus.

72. *We will continue to be controlled by our Promoter and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.*

As on the date of this Red Herring Prospectus, our Promoter and Promoter Group hold 88.82% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Issue, our Promoter and Promoter Group will continue to hold together 65.29% of our post-Issue Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details regarding our shareholding, please refer to chapter titled “Capital Structure” beginning on Page 75 of this Red Herring Prospectus.

73. *Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.*

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financial factors of the Company 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. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

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

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive as shareholders’ rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

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

The Issue Price of our Equity Shares has been determined through the Book building process. This price is based on numerous factors. For further information, see “Basis for Issue Price” beginning on page 114 of this Red Herring Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are: Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues; Changes in revenue or earnings estimates or publication of research reports by analysts; Speculation in the press or investment community; Domestic and international economic, legal and regulatory factors unrelated to our performance.

76. *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 us. Under the takeover regulations in India, 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 Indian takeover regulations.

77. The requirements of being a listed company may strain our resources and distract management.

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015 which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies. As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

78. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy. Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

EXTERNAL RISK FACTORS**79. The occurrence of natural or man-made disasters 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, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

80. *Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.*

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the “CCI”). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void. Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds. On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the “Combination Regulation Provisions”), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and preapproved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (as amended). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

81. *The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.*

The goods and service tax (“GST”) that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments. As regards the General Anti-Avoidance Rules (“GAAR”), The general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an “impermissible avoidance arrangement”, if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

82. *You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.*

Under the Companies Act, a company incorporated in India must offer its shareholders pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

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

We currently operate only in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the Textile & Apparel industry of the Indian economy. There have been periods of slowdown in the economic growth of India. For instance, the present situation of lock-down is prevailing in India due to pandemic Covid-19 spread in India and all other parts of world. If such condition prevail for longer time the Demand for our products & services may be adversely affected by an economic downturn in domestic, regional and global economies. India's economic growth is also affected by various other factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

84. *Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India will be required to follow the Income Computation and Disclosure Standards.*

The Ministry of Corporate Affairs ("MCA"), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 ("Ind AS") which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations. Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

85. *Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.*

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include: the macroeconomic climate, including any increase in Indian interest rates or inflation; any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets; Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions; Prevailing income conditions among Indian consumers and Indian corporations; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies; 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; prevailing regional or global economic conditions, including in India's principal export markets; other significant regulatory or economic developments in or affecting India or its ER&D sector; international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

SECTION IV – INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS	
Equity Shares Issued*: Public Issue of Equity Shares by our Company	Up to 49,60,000 Equity Shares aggregating to ₹ [●] Lakhs
of which	
Issue Reserved for the Market Makers	Up to 2,50,000 Equity Shares aggregating to ₹ [●] Lakhs
Net Issue to the Public	Up to 47,10,000 Equity Shares aggregating to ₹ [●] Lakhs
of which	
A. QIB Portion	Not more than 23,54,000 Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(a) Anchor Investor Portion	Upto 14,12,000 Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto 9,42,000 Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	Upto 47,000 Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto 8,95,000 Equity Shares aggregating to ₹ [●] Lakhs
B. Non-Institutional Category	Not Less than 7,07,000 Equity Shares aggregating to ₹ [●] Lakhs
C. Retail Portion	Not Less than 16,49,000 Equity Shares aggregating to ₹ [●] Lakhs
Equity Shares outstanding prior to the Issue	1,37,62,386 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	1,87,22,386 Equity Shares of face value of ₹10 each
Objects of the Issue/ Use of Issue Proceeds	Please see the chapter titled “Objects of the Issue” on page 99 of this Red Herring Prospectus

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

Note:

- (1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription. For further details, please see the section titled “Issue Related Information” beginning on page 244 of this Red Herring Prospectus.
- (2) The present Issue in terms of Red Herring Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated June 20, 2024. and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on June 20, 2024.
- (3) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to 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 the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received within the offer price band. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, 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, please refer section titled “Issue Procedure” beginning on page 255 of this Red Herring Prospectus.

- (4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders. All Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount (“ASBA”) process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see “Issue Procedure” on page 255.
- (5) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (6) In the event of an under-subscription in the issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLM shall first ensure Allotment of Equity Shares offered pursuant to the Fresh issue by the Issuer.
- (7) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

SUMMARY OF FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS & LIABILITIES

(Amount in Lakhs)

	Particulars	Note	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
I	EQUITY AND LIABILITIES				
	1. Shareholders' funds				
	(a) Share Capital	I.1	125.11	62.56	62.56
	(b) Reserves and surplus	I.2	4,054.87	3,357.66	2,927.49
	2. Non-current liabilities				
	(a) Long-term borrowings	I.3	-	-	-
	(b) Long-term provisions	I.4	53.73	34.21	5.98
	3. Current liabilities				
	(a) Short-term borrowings	I.5	4,354.72	2,051.31	1,844.13
	(b) Trade payables	I.6			
	i) Due to MSME		939.79	546.19	464.65
	ii) Due to Others		966.50	1,514.56	1,471.38
	(c) Other current liabilities	I.7	1,515.88	1,100.99	937.45
	(d) Short-term provisions	I.8	214.93	168.18	45.92
	TOTAL		12,225.54	8,835.65	7,759.56
II.	ASSETS				
	1. Non-current assets				
	(a) Property Plant & Equipments and Intangible Assets				
	(i) Tangible Assets	I.9	477.87	291.56	269.64
	(ii) Intangible Assets		4.80	8.21	14.17
	(iii) Capital work-in-progress		-	-	-
	(b) Deferred tax asset (Net)	I.10	68.49	52.89	43.88
	(c) Long-term loans and advances	I.11	10.91	3.00	3.00
	(d) Other Non-Current Assets	I.12	276.37	97.73	55.32
	2. Current assets				
	(a) Inventories	I.13	2,586.09	2,585.37	2,316.56
	(b) Trade receivables	I.14	8,145.58	5,221.86	4,764.85
	(c) Cash and Bank Balances	I.15	402.23	69.97	51.37
	(d) Short-term loans and advances	I.16	223.53	467.58	217.75
	(e) Other Current Assets	I.17	29.67	37.47	23.01
	TOTAL		12,225.54	8,835.65	7,759.56

RESTATED STATEMENT OF PROFIT & LOSS

(Amount in Lakhs)

	Particulars	Note	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
I	Revenue from operations	II.1	16,255.89	13,508.81	12,852.93
II	Other Income	II.2	72.59	60.04	20.72
III	Total Income (I+II)		16,328.48	13,568.86	12,873.65
	Expenses:				
	(a) Cost of materials purchased	II.3	7,589.51	6,976.38	6,316.86
	(b) Changes in inventories of finished goods and work-in- progress	II.4	(7.47)	(308.99)	(594.09)
	(c) Employee benefits expense	II.5	1,488.38	1,486.02	1,293.39
	(d) Finance costs	II.6	292.97	196.40	170.86
	(e) Depreciation and amortisation expense	I.9	132.33	76.10	76.27
	(f) Other expenses	II.7	5,804.77	4,559.84	4,446.90
IV	Total expenses		15,300.49	12,985.75	11,710.18
V	Profit /(Loss) before tax and Exceptional Items (III-IV)		1,027.99	583.11	1,163.48
VI	Exceptional Items		-	-	-
VII	Profit /(Loss) before tax (V-VI)		1,027.99	583.11	1,163.48
VIII	Tax expense:				
	(a) Current tax expense		283.82	161.94	161.76
	(b) Short/(Excess) provision of tax for earlier years		-	-	-
	(c) Deferred tax charge/(credit)		(15.60)	(9.01)	(9.35)
	(d) (Less): MAT Credit Entitlement		-	-	-
			268.23	152.93	152.42
IX	Profit after tax for the year (VII-VIII)		759.76	430.17	1,011.06
XII	Earnings per share (face value of ₹ 10/- each):	II.8			
	(a) Basic (in ₹)		60.73	68.77	161.62
	(b) Diluted (in ₹)		60.73	68.77	161.62
	Earnings per share (face value of ₹ 10/- each): (Considering Bonus effect with retrospective effect)				
	(a) Basic (in ₹)		5.52	3.13	7.35
	(b) Diluted (in ₹)		5.52	3.13	7.35

RESTATED STATEMENT OF CASH FLOW

(Amount in Lakhs)

Particulars	For the year Ended	For the year Ended	For the year Ended
	31-03-2024	31-03-2023	31-03-2022
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Extraordinary items	1,027.99	583.11	1,163.48
Adjustment For:			
(a) Depreciation and Amortization	132.33	76.10	76.27
(b) Interest Charges and borrowing cost	292.97	196.40	170.85
(c) (Gain)/Loss on Sale of Assets	(20.83)	(0.12)	(0.07)
(d) Provision for Gratuity Expense	21.55	35.87	6.90
(e) Interest income	(2.35)	(1.69)	(1.65)
(f) Expenses written off	(13.35)	(12.52)	(10.58)
Operating Profit before Working Capital Changes	1,438.29	877.15	1,405.19
Adjustment For :			
(a) (Increase)/Decrease in Inventories	(0.72)	(268.81)	(753.62)
(b) (Increase)/Decrease in Trade Receivables	(2,910.36)	(444.49)	(953.77)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	251.85	(264.29)	4.22
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	285.66	374.63	208.23
CASH GENERATED FROM OPERATIONS	(935.28)	274.18	(89.75)
Less: Direct Taxes paid	(283.82)	(161.94)	(161.76)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	1,219.11	112.24	(251.52)
NET CASH FROM OPERATING ACTIVITIES (A)	(1,219.11)	112.24	(251.52)
B. CASH FLOW FROM INVESTING ACTIVITIES			
(a) Addition in Fixed Assets & CWIP	(336.56)	(92.25)	(90.28)
(b) Sale of Fixed Assets	42.16	0.31	0.21
(c) Interest and other income	2.35	1.69	1.65
(d) (Increase) / Decrease in Long term loans and advances	(7.91)	-	0.03
(e) (Increase) / Decrease in Non Current Assets	(178.64)	(42.41)	0.35
NET CASH FROM INVESTING ACTIVITIES (B)	(478.59)	(132.65)	(88.03)
C. CASH FLOW FROM FINANCING ACTIVITIES			
(a) Increase/(Decrease) in Long term Borrowings	-	-	(2.13)
(b) Increase/(Decrease) in Short term Borrowings	2,303.40	207.18	480.47
(d) Increase / (Decrease) in Long Term Provisions	19.52	28.24	(0.11)
(e) Interest Charges and borrowing cost	(292.97)	(196.40)	(170.85)
(f) Changes in Other Bank Balances	1.10	(1.17)	(3.01)
NET CASH FLOW IN FINANCING ACTIVITIES (C)	2,031.06	37.85	304.36
Net Increase In Cash & Cash Equivalents (A)+(B)+(C)	333.36	17.44	(35.18)
Opening Balance - Cash & Cash Equivalent	38.27	20.83	56.02
CLOSING BALANCE - CASH & CASH EQUIVALENT	371.63	38.27	20.83

SECTION – V - GENERAL INFORMATION

Our Company was originally incorporated as “S D Retail Private Limited” vide registration no. 146313 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 14, 2004 issued by Registrar of Companies, Mumbai, Maharashtra. Further, the registered office of our Company was shifted from Mumbai, Maharashtra to Ahmedabad, Gujarat w.e.f. February 9, 2009. Subsequently our Company was converted into Public Limited Company and name of company was changed from “S D Retail Private Limited” to “S D Retail Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate Identity Number of our Company is U52520GJ2004PLC056076.

Our Company was originally promoted by Ms. Nishu Jitendra Negandhi and Mr. Hitesh Pravinchandra Ruparelia who were the initial subscribers to the Company’s Memorandum and Articles of Association. Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, Sweet Dreams Loungewear (India) LLP, Grace Garments LLP are the present promoters of our Company.

For further details, please refer to chapter titled “History and Corporate Structure” beginning on page 171 of this Red Herring Prospectus.

REGISTERED OFFICE**S D Retail Limited**

C-929, Stratum at Venus ground,
Nr. Jhansi Ki Rani Statue, Nehrunagar,
Ambawadi, Ahmedabad, Gujarat -380006, India

Tel. No.: +91 7043106787

E-mail: info@sweetdreamsindia.com

Website: www.sweetdreams.in

Corporate Identification Number: U52520GJ2004PLC056076

Reg. No.: 056076

For details relating to changes to the address of our Registered Office, please see “History and Corporate Structure - Changes to the address of the Registered Office of our Company” on page 171 of this Red Herring Prospectus.

MANUFACTURING UNIT**S D Retail Limited**

12, Ratnam Industrial Estate, Panam,
Pirana Road, Ahmedabad – 382427, Gujarat, India

Tel. No.: +91 7043106787

E-mail: info@sweetdreamsindia.com

Website: www.sweetdreams.in

Corporate Identification Number: U52520GJ2004PLC056076

Reg. No.: 056076

REGISTRAR OF COMPANIES**Registrar of Companies, Ahmedabad**

Registrar Of Companies, ROC Bhavan, Opp Rupal Park Society,
Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India

Tel No. : 079-27438531, 27438371

Email: roc.ahmedabad@mca.gov.in

Website: <http://www.mca.gov.in>

DESIGNATED STOCK EXCHANGE**National Stock Exchange of India Limited**

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

Tel No.: 022 – 2272 1233/34

Website: www.nseindia.com

BOARD OF DIRECTORS

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Hitesh Pravinchandra Ruparelia	Chairman cum Managing Director	Flat No-2, Brindavan, 1 st Floor, Suvarna Nagar Society, N.S.Road No- 5, Vile Parle West, Mumbai-400049, Maharashtra, India	00490790
Mr. Utpalbhai Pravinchandra Ruparelia	Whole Time Director	B-22, Shaligram Tower, Near Shivranjani Cross Road, Umiya Vijay Bus Stand, Satellite, Ahmedabad- 380015, Gujarat, India	00300525
Mr. Vishesh Jailesh Dalal	Nominee Director	B-2302, Oberoi Springs, Off New Link Road, Opp. City Mall, Andheri (West), Azad Nagar, Mumbai- 400053, Maharashtra, India	03250002
Ms. Simeran Bhasin	Non Executive Director	111, Lake Shore Homes, Off Sarjapur Road, Kasavanahalli, Carmelram, Bangalore, Bangalore South, 560035, Karnataka, India	07482286
Mr. Manish Kapoor	Independent Director	B3701, Oberoi Exquisite, Oberoi Garden City, Goregaon East, Mumbai Suburban, Maharashtra- 400063, India	08415273
Mr. Harshil Rajendrabhai Patel	Independent Director	F-203, JBR Residency, Nr. R.K. Royal Hall, Science City, Sola Road, Ahmedabad-380060, Gujarat, India	09606743

For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 175 of this Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Sakshi Singh Chauhan

C-929, Stratum at venus ground,
Nr. Jhansi Ki Rani Statue, Nehrunagar,
Ambawadi (Ahmedabad), Ahmedabad-380006,
Gujarat, India

Tel. No.: +91 7043106787

E-mail: cs@sweetdreamsindia.com

Website: www.sweetdreams.in

CHIEF FINANCIAL OFFICER

Mr. Ritesh Surendra Saraogi

C-929, Stratum at venus ground,
Nr. Jhansi Ki Rani Statue, Nehrunagar,
Ambawadi (Ahmedabad), Ahmedabad-380006,
Gujarat, India

Tel. No.: +91 7043106787

E-mail: cfo@sweetdreamsindia.com

Website: www.sweetdreams.in

Investor Grievances

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Book Running Lead

Manager, in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc.

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue, with a copy to the Designated Intermediary with whom the ASBA Form was submitted, giving full name of the sole or First Applicant, ASBA Form number, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of Application Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the Application Form was submitted by the Applicant, ASBA Account number (for Applicants other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIIs bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

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

Details of Key Intermediaries pertaining to this Issue and Our Company:

BOOK RUNNING LEAD MANAGER OF THE ISSUE

BEELINE CAPITAL ADVISORS PRIVATE LIMITED

Address: B 1311-1314, Shilp Corporate Park, Near Rajpath Club, Rajpath Rangoli Road, Sarkhej- Gandhinagar Hwy, Ahmedabad- 380054, Gujarat, India.

Tel. No.: +91-7948407357

Email: mb@beelinemb.com

Website: www.beelinemb.com

Investor Grievance Email: ig@beelinemb.com

Contact Person: Mr. Nikhil Shah

SEBI Registration No.: INM000012917

LEGAL ADVISOR TO THE ISSUE

ANA ADVISORS

Address: 118 Shila Vihar, Gokulpura, Kalwar Road Jhotwara, Jaipur-302012

Email Id: anaadvisors22@gmail.com

Tel No.: +91-9887906529

Contact Person: Kamlesh Kumar Goyal

REGISTRAR TO THE ISSUE

KFin Technologies Limited

Address: Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana

Tel. No.: +91 40 6716 2222

Email: all.ipo@kfintech.com

Website: www.kfintech.com

Investor Grievance Email: einward.ris@kfintech.com

Contact Person: M Murali Krishna

SEBI Registration No.: INR000000221

BANKERS TO THE ISSUE AND REFUND BANKER/SPONSOR BANK

AXIS BANK LIMITED

Shivranjani Cross Road, Ground Floor, Himalaya Emerald, Near Shivranjani Cross Road,

SWEET DREAMS

Satellite, Ahmedabad-380015, India.

Mobile No.: +91 9712994488

Email: shivranjanicrossroad.branchhead@axisbank.com

Website: www.axisbank.com

Contact Person: Mr. Parthiv Kapadia

SEBI Registration Number: INBI00000017

BANKERS TO THE COMPANY

HDFC BANK LIMITED

A Wing, 3rd Floor, Trade Star,

JB Nagar, Andheri East

Mumbai-400059, India

Mobile No. -+91-9870788297

Email: sneha.sheth@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Sneha Sheth

STATUTORY AUDITOR OF OUR COMPANY

M/s. KKC & ASSOCIATES LLP, Chartered Accountants

(Formerly Khimji Kunverji & Co. LLP)

Address: Sunshine Tower, Level 19, Senapati Bapat Marg,

Elphinstone Road, Mumbai 400013, India

Tel No.: + 91-22 6143 7333

Email: info@kkcllp.in

Website: www.kkcllp.in

Contact Person: Mr. Hasmukh B. Dedhia

Membership No.: .033494

Firm Registration No.- 105146W/W-100621

PEER REVIEW AUDITORS OF OUR COMPANY

M/s V C A N & Co., Chartered Accountants

Address: 204, Wall Street, -I, Near Gujrat College, Opp. Orient Club,

Ellisbridge, Ahmedabad, Gujarat – 380006, India

Tel No: +91 7940071446

Email: ahmedabad@vcana.com

Contact Person: Mr. Saurabh Jain

Membership No.: . 175015

Firm Reg. No. - 125172W

Peer Review No.- 013295

M/s. V C A N & Co., Chartered Accountants hold a peer review certificate dated July 15, 2021 issued by the Institute of Chartered Accountants of India.

SYNDICATE MEMBER

SPREAD X SECURITIES PRIVATE LIMITED

Address: Shilp Corporate Park, B Block, 13th Floor, B-

1309, Near Rajpath Club, Rajpath Rangoli Road, S. G.

Highway, Ahmedabad – 380054, Gujarat, India

Tel: +91 79 6907 2018

Email Id: info@spreadx.in

Website: www.spreadx.in

Contact Person: Mrs. Khushbu Nikhilkumar Shah

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

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

SELF CERTIFIED SYNDICATE BANKS (“SCSBS”) AND SYNDICATE SCSB BRANCHES

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

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Applicant (other than an UPI Applicants using the UPI mechanism), not applying through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time. Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Applicants (other than UPI Applicants) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

In relation to Applicants (other than Applications by Anchor Investors and RIIs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> , which may be 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 Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

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

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 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 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, UPI Applicants using the UPI mechanism may only apply through the SCSBs and mobile applications (apps) using the UPI handles whose name appears on the SEBI website, which may be updated from time to time. 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. A list of SCSBs and mobile applications, which are live for applying public issues using UPI mechanism is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 , respectively and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

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

REGISTERED BROKERS

Bidders can submit ASBA Forms in the Issue 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 eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? And www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm , respectively, as updated from time to time.

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

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

COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm , or such other websites as updated from time to time. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4>

BROKERS TO THE ISSUE

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

CREDIT RATING

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

IPO GRADING

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

DEBENTURE TRUSTEES

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

TRUSTEES

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

MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company’s balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Red Herring Prospectus.

FILING OF THE OFFER DOCUMENT

The Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus /Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

The Red Herring Prospectus/ Red Herring Prospectus/Prospectus are being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

A copy of the Red Herring Prospectus/Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be filed online for registration to the Registrar of Companies, Ahmedabad

APPRAISING ENTITY

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

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

EXPERT OPINION

Except for the reports in the section “Restated Financial Statements” and “Statement of Possible Tax Benefits” on page 194 and page 121 of this Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Gujarati Edition of Financial Express at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date.

Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited.
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE Limited and eligible to act as Underwriters.
- The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

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

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non- Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 255 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 255 of this Red Herring Prospectus.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%

SWEET DREAMS

2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page 255 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form; ➤ Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

BID/OFFER PROGRAM:

Event	Indicative Dates
Bid/ Issue Opening Date	September 20, 2024
Bid/ Issue Closing Date	September 24, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about September 25, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about September 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about September 26, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about September 27, 2024

**Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Offer, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday

(excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

WITHDRAWAL OF THE ISSUE

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

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

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

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

UNDERWRITING

The Company and the Book Running Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by Beeline Capital Advisors Private Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated August 29, 2024 entered into by Company and Underwriter – Beeline Capital Advisors Private Limited, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten
BEELINE CAPITAL ADVISORS PRIVATE LIMITED SEBI Registration Number: INM000012917 Address: B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India. Telephone Number: +91 7948407357 Email Id: mb@beelinemb.com Investors Grievance Id: ig@beelinemb.com Website: www.beelinemb.com Contact Person: Mr. Nikhil Shah CIN: U67190GJ2020PTC114322	Upto 49,60,000 Equity Shares of ₹ 10/- being Issued at ₹ [●] each	[●]	100.00%

*Includes upto 2,50,000 Equity shares of Rs.10.00 each for cash of the Market Maker Reservation Portion which are to be subscribed

by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

As per Regulation 260(2) of SEBI (ICDR) Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

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

CHANGES IN AUDITORS DURING LAST THREE YEARS

There is no change in the auditors during the last three years immediately preceding the date of this Red Herring Prospectus except appointment of V C A N & Company as Peer Review Auditor of our Company vide Board Resolution dated April 08, 2024.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager has entered into Market Making Agreement dated August 29, 2024 with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

Name	Spread X Securities Private Limited
Correspondence Address:	B-1309, Shilp Corpoarte Park, Nr. Rajpath Club, Rajpath Rangoli Road, S.G. Highway, Ahmedabad – 380054, Gujarat, India.
Tel No.:	079-69072020
E-mail:	info@spreadx.in
Website:	www.spreadx.in
Contact Person:	Mrs. Khushbu Nikhilkumar Shah
SEBI Registration No.:	IN2000310930

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of NSE (NSE EMERGE) and SEBI from time to time
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of NSE (NSE EMERGE) from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform NSE i.e. NSE EMERGE from time to time.

7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

9. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

10. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

11. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.

12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI ICDR Regulations. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

14. Risk containment measures and monitoring for Market Makers: NSE EMERGE Exchange will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

15. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by exchange from time to time.

16. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

- (i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- (ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Platform.

S.No.	Market Price Slab (In ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

17. Punitive Action in case of default by Market Makers: NSE Emerge will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

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

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

SECTION VI – CAPITAL STRUCTURE

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

Amount (Rs. in Lakhs, except share data)			
Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A	Authorized Share Capital 2,00,00,000 Equity Shares having Face Value of Rs 10/- each	2000.00	-
B	Issued, Subscribed & Paid-up Share Capital before the Issue 1,37,62,386 Equity Shares having Face Value of Rs.10/- each issued fully paid up before the Issue.	1376.24	-
C	Present Issue in terms of the Red Herring Prospectus Issue of upto 49,60,000 Equity Shares having Face Value of Rs.10/- each at a price of Rs. [●] per Equity Share.	496.00	[●]
	Which Comprises		
I.	Reservation for Market Maker portion 2,50,000 Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	25.00	[●]
II.	Net Issue to the Public Net Issue to Public of 47,10,000 Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share to the Public	471.00	[●]
	of which⁽²⁾		
	At least 16,49,000 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors.	164.90	[●]
	At least 7,07,000 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Non-Institutional Investors	70.70	[●]
	Not more than 23,54,000 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds	235.40	[●]
D	Issued, Subscribed and Paid-up Equity Share capital after the Issue 1,87,22,386 Equity Shares of Rs. 10/- each	1872.23	-
E	Securities Premium Account Before the Issue After the Issue	19.92 Lakhs [●]*	

⁽¹⁾The Present Issue of Equity Shares in terms of Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated June 20, 2024 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on June 20, 2024.

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

*The amount disclosed is prior to deduction of Issue expenses.

Class of Shares

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

Details of changes in Authorized Share Capital of our Company:

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

- a) The initial Authorised share capital of our Company was ₹1,00,000 (One Lakh) divided into 10,000 (Ten thousand) Equity Shares of ₹10 each. This Authorised capital was increased to ₹1,00,00,000 (One Crore) divided into 10,00,000(Ten Lakh) Equity Shares of ₹10 each pursuant to a resolution passed by our Shareholders in Extra-Ordinary General Meeting held on March 20, 2006.
- b) The Authorised share capital of our Company was increased from ₹1,00,00,000 (One Crore)) divided into 10,00,000(Ten Lakh) Equity Shares of ₹10 each to ₹2,25,00,000 (Two Crore Twenty Five Lakhs) divided into 22,50,000 (Twenty Two Lacs Fifty Thousand) equity shares of Rs. 10 each pursuant to a resolution passed by our Shareholders in Extra- Ordinary General Meeting held on January 24, 2014.
- c) The Authorised share capital of our Company was increased from ₹2,25,00,000 (Two Crore Twenty Five Lakhs) divided into 22,50,000 (Twenty Two Lacs Fifty Thousand) equity shares of Rs. 10 each to ₹20,00,00,000 (Twenty Crore) divided into 2,00,00,000 (Two Crore) equity shares of Rs. 10 each pursuant to a resolution passed by our Shareholders in Extra- Ordinary General Meeting held on April 27, 2024.

Notes to Capital Structure

1. Equity Share Capital History of our Company:

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

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity	Cumulative Paid-Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation	10,000	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	10,000	1,00,000	--
November 15, 2006	3,50,000	10	10	Cash	Further Allotment ⁽ⁱⁱ⁾	3,60,000	36,00,000	--
March 28, 2012	65,000	10	200	Cash	Further Allotment ⁽ⁱⁱⁱ⁾	4,25,000	42,50,000	1,23,50,000
March 10, 2014	1,05,713	10	175	Cash	Further Allotment ^(iv)	5,30,713	53,07,130	2,97,92,645
March 31, 2014	25,350	10	175	Cash	Further Allotment ^(v)	5,56,063	55,60,630	3,39,75,395
December 6, 2017	69,500	10	1440	Cash	Private Placement ^(vi)	6,25,563	62,55,630	13,33,60,395
July 8, 2023	6,25,563	10	--	Other Than Cash	Bonus Allotment ^(vii)	12,51,126	1,25,11,260	12,71,04,765
May 1, 2024	1,25,11,260	10	--	Other Than Cash	Bonus Allotment ^(viii)	1,37,62,386	13,76,23,860	19,92,165

#Bonus issue of 6,25,563 equity shares in the ratio of 1:1 dated July 8, 2023 and Bonus issue of 1,25,11,260 equity shares in the ratio of 10:1 dated May 01, 2024 has been issued by Capitalization of Reserve & Surplus of the Company.

All the above-mentioned shares are fully paid up since the date of allotment.

Notes:

- (i) **Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:**

S. No.	Names of Person	Number of Shares Allotted
1.	Nishu Jitendra Negandhi	5,000

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2.	Hitesh Pravinchandra Ruparelia	5,000
	Total	10,000

(ii) **Further allotment of 3,50,000 Equity Shares of Face Value of Rs. 10/-each fully paid at an Issue price of Rs. 10/- per equity share is as under:**

S.No.	Names of Person	Number of Shares Allotted
1.	Hitesh Pravinchandra Ruparelia	2,50,000
2.	Utpalbhai Pravinchandra Ruparelia	1,00,000
	Total	3,50,000

(iii) **Further Allotment of 65,000 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue price of Rs. 200/- per equity share is as under**

S. No.	Names of Person	Number of Shares Allotted
1.	Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	65,000
	Total	65,000

(iv) **Further Allotment of 1,05,713 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue Price of Rs. 175/- each**

S. No.	Names of Person	Number of Shares Allotted
1.	Grace Garments LLP (Formerly known as Grace Garments Ltd.)	97,142
2.	SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	8,571
	Total	1,05,713

(v) **Further Allotment of 25,350 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue Price of Rs. 175/- each**

S. No.	Names of Person	Number of Shares Allotted
1.	Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	25,350
	Total	25,350

(vi) **Private Placement Allotment of 69,500 Equity Shares of Face Value of Rs. 10/- each fully paid at an Issue Price of Rs. 1440/- each**

S. No.	Names of Person	Number of Shares Allotted
1.	Chanakya Corporate Services Pvt Ltd	34,750
2.	Chanakya Value Creation LLP	34,750
	Total	69,500

(vii) **Bonus Allotment of 6,25,563 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 1:1 i.e. 1 Bonus Equity Share for 1 each equity share held**

S. No.	Names of Person	Number of Shares Allotted
1.	Hitesh Pravinchandra Ruparelia	2,15,960
2.	Utpalbhai Pravinchandra Ruparelia	1,43,980
3.	Pravinchandra Ruparelia	10
4.	Meenaben P Ruparelia	10
5.	Hina Hitesh Ruparelia	10
6.	Kashmiraben Utpal Ruparelia	10
7.	Utpalbhai Pravinchandra Ruparelia HUF	10

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8	Hitesh Pravinchandra Ruparelia HUF	10
9	Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	65,000
10	Grace Garments LLP (Formerly known as Grace Garments Ltd.)	97,142
11	SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	8,571
12	Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	25,350
13	Chanakya Corporate Services Pvt. Ltd.	34,750
14	Chanakya Value Creation LLP	34,750
	Total	6,25,563

(viii) Bonus Allotment of 1,25,11,260 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 10:1 i.e. 10 Bonus Equity Shares for 1 each equity share held:

S. No.	Names of Person	Number of Shares Allotted
1.	Hitesh Pravinchandra Ruparelia	43,19,200
2	Utpalbhai Pravinchandra Ruparelia	28,79,600
3	Pravinchandra Ruparelia	200
4	Meenaben P Ruparelia	200
5	Hina Hitesh Ruparelia	200
6	Kashmiraben Utpal Ruparelia	200
7	Utpalbhai Pravinchandra Ruparelia HUF	200
8	Hitesh Pravinchandra Ruparelia HUF	200
9	Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	13,00,000
10	Grace Garments LLP (Formerly known as Grace Garments Ltd.)	19,42,840
11	SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	1,71,420
12	Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	5,07,000
13	Chanakya Corporate Services Pvt. Ltd.	6,95,000
14	Chanakya Value Creation LLP	6,95,000
	Total	1,25,11,260

- b) As on the date of the Red Herring Prospectus, our Company does not have any preference share capital.
- c) Our company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus

(2) Issue of Equity Shares for consideration other than cash

Except as disclosed below , we have not issued any Equity Shares for consideration other than cash.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
July 8, 2023	6,25,563	10.00	--	Other than Cash – Bonus Issue	Capitalization of Reserves	Hitesh Pravinchandra Ruparelia	2,15,960
						Utpalbhai Pravinchandra Ruparelia	1,43,980
						Pravinchandra Ruparelia	10
						Meenaben P Ruparelia	10
						Hina Hitesh Ruparelia	10
						Kashmiraben Utpal Ruparelia	10
						Utpalbhai Pravinchandra	10

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Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Ruparelia HUF	
						Hitesh Pravinchandra Ruparelia HUF	10
						Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	65,000
						Grace Garments LLP (Formerly known as Grace Garments Ltd.)	97,142
						SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	8,571
						Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	25,350
						Chanakya Corporate Services Pvt. Ltd.	34,750
						Chanakya Value Creation LLP	34,750
May 1, 2024	1,25,11,260	10.00	--	Other than Cash – Bonus Issue	Capitalization of Reserves	Hitesh Pravinchandra Ruparelia	43,19,200
						Utpalbhai Pravinchandra Ruparelia	28,79,600
						Pravinchandra Ruparelia	200
						Meenaben P Ruparelia	200
						Hina Hitesh Ruparelia	200
						Kashmiraben Utpal Ruparelia	200
						Utpalbhai Pravinchandra Ruparelia HUF	200
						Hitesh Pravinchandra Ruparelia HUF	200
						Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	13,00,000
						Grace Garments LLP (Formerly known as Grace Garments Ltd.)	19,42,840
						SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	1,71,420
						Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	5,07,000
						Chanakya Corporate Services Pvt. Ltd.	6,95,000
						Chanakya Value Creation LLP	6,95,000

- (3) We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- (4) No Equity Shares have been allotted pursuant to any scheme approved under section of 230-234 of Companies Act 2013.
- (5) As on the date of the Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option Scheme / Employees Stock Purchase Scheme.

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(6) The Issue Price shall be decided by our Company in consultation with the Lead Manager, except as disclosed below, we have not issued any Equity Shares at price below issue price within last one year from the date of this Red Herring Prospectus.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
July 8, 2023	6,25,563	10.00	--	Bonus Issue	Yes	Hitesh Pravinchandra Ruparelia	2,15,960
					Yes	Utpalbhai Pravinchandra Ruparelia	1,43,980
					Yes	Pravinchandra Ruparelia	10
					Yes	Meenaben P Ruparelia	10
					Yes	Hina Hitesh Ruparelia	10
					Yes	Kashmiraben Utpal Ruparelia	10
					Yes	Utpalbhai Pravinchandra Ruparelia HUF	10
					Yes	Hitesh Pravinchandra Ruparelia HUF	10
					Yes	Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	65,000
					Yes	Grace Garments LLP (Formerly known as Grace Garments Ltd.)	97,142
					Yes	SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	8,571
					Yes	Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	25,350
					No	Chanakya Corporate Services Pvt. Ltd.	34,750
May 1, 2024	1,25,11,260	10.00	--	Bonus Issue	No	Chanakya Value Creation LLP	34,750
					Yes	Hitesh Pravinchandra Ruparelia	43,19,200
					Yes	Utpalbhai Pravinchandra Ruparelia	28,79,600
					Yes	Pravinchandra Ruparelia	200
					Yes	Meenaben P Ruparelia	200
					Yes	Hina Hitesh Ruparelia	200
					Yes	Kashmiraben Utpal Ruparelia	200
					Yes	Utpalbhai Pravinchandra Ruparelia HUF	200
					Yes	Hitesh Pravinchandra Ruparelia HUF	200
					Yes	Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	13,00,000
					Yes	Grace Garments LLP (Formerly known as Grace Garments Ltd.)	19,42,840

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Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
					Yes	SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	1,71,420
					Yes	Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	5,07,000
					No	Chanakya Corporate Services Pvt. Ltd.	6,95,000
					No	Chanakya Value Creation LLP	6,95,000

(7) Our Shareholding Pattern

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

I – Summary of Shareholding Pattern:-

Category	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in dematerialized form
Class Equity Shares of Rs.10/- each^	Total	Total as a % of (A+B+ C)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)											
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	12	1,22,23,386	-	-	1,22,23,386	88.82	1,22,23,386	1,22,23,386	88.82	-	88.82	-	-	-	-	1,22,23,386
(B)	Public	3	15,39,000	-	-	15,39,000	11.18	15,39,000	15,39,000	11.18	-	11.18	-	-	-	-	15,39,000
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	15	1,37,62,386	-	-	1,37,62,386	100.00	1,37,62,386	1,37,62,386	100.00	-	100.00	-	-	-	-	1,37,62,386

*As on date of this Red Herring Prospectus 1 Equity share holds 1 vote.

^ We have only one class of Equity Shares of face value of Rs. 10/- each.

Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)(VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a % of total shares) (XI)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								Class eg: X	Class	No of Voting (XIV) Rights	Total as a % of (A+B+C)			No. (a)	As a % of total shares (a)	No. (a)	As a % of total shares (a)	
(1)	Indian																	
(a)	Individuals/Hindu undivided Family																	
1	Hitesh Pravinchandra Ruparelia	1	47,51,120	-	-	47,51,120	34.52	47,51,120	-	47,51,120	34.52	-	34.52	-	-	-	-	47,51,120
2	Utpalbhai Pravinchandra Ruparelia	1	31,67,560	-	-	31,67,560	23.02	31,67,560	-	31,67,560	23.02	-	23.02	-	-	-	-	31,67,560
3	Pravinchandra Ruparelia	1	220	-	-	220	Negligible	220	-	220	Negligible	-	Negligible	-	-	-	-	220
4	Meenaben P Ruparelia	1	220	-	-	220	Negligible	220	-	220	Negligible	-	Negligible	-	-	-	-	220
5	Hina Hitesh Ruparelia	1	220	-	-	220	Negligible	220	-	220	Negligible	-	Negligible	-	-	-	-	220
6	Kashmiraben U Ruparelia	1	220	-	-	220	Negligible	220	-	220	Negligible	-	Negligible	-	-	-	-	220

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7	Utpalbhai Pravinchandra Ruparelia HUF	1	220	-	-	220	Negligible	220	-	220	Negligible	-	Negligible	-	-	-	-	220
8	Hitesh Pravinchandra Ruparelia HUF	1	220	-	-	220	Negligible	220	-	220	Negligible	-	Negligible	-	-	-	-	220
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other – Body Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Sweet Dreams Loungewear (India) LLP	1	14,30,000	-	-	14,30,000	10.39	14,30,000	-	14,30,000	10.39	-	10.39	-	-	-	-	14,30,000
2	Grace Garments LLP	1	21,27,124	-	-	21,27,124	15.46	21,27,124	-	21,27,124	15.46	-	15.46	-	-	-	-	21,27,124
3	SD Fashions LLP	1	1,88,562	-	-	1,88,562	1.37	1,88,562	-	1,88,562	1.37	-	1.37	-	-	-	-	1,88,562
4	Shaligram Apparels LLP	1	5,57,700	-	-	5,57,700	4.05	5,57,700	-	5,57,700	4.05	-	4.05	-	-	-	-	5,57,700
	Sub-Total (A)(1)	12	1,22,23,386	-	-	1,22,23,386	88.82	1,22,23,386	-	1,22,23,386	88.82	-	88.82	-	-	-	-	1,22,23,386
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non Resident Individuals/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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	Foreign Individuals)																	
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters and Promoters' Group (A)=(A)(1) +(A)(2)	12	1,22,23,386	-	-	1,22,23,386	88.82	1,22,23,386	-	1,22,23,386	88.82	-	88.82	1,22,23,386	88.82	-	-	1,22,23,386
	Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A																	

Table III - Statement showing shareholding pattern of the Public shareholder

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying	Shareholding , as a % assuming full conversion of convertible	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
							Class eg: X	No of Voting Rights (XIV)	Class eg:y	Total	Total as a %			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
(B1)	Institutions (Domestic)																		
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(g)	Asset reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(k)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(B2)	Institutions (Foreign)																		
(a)	Foreign Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

	Investment																	
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors Category II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B3)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B4)	Non-institutions																	
(a)	Associate Companies / Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Key Managerial Personnel	1	10,000	0.07	-	10,000	0.07	10,000	-	10,000	0.07	-	0.07	-	-	-	-	10,000
(d)	Relatives of promoter (other than 'immediate relatives')	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	of promoters disclosed under 'Promoter and Promoter Group' category)																	
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital upto ₹ 2 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Resident Individuals holding share capital in excess of ₹ 2 Lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Non-Resident Indians (NRIs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	2	15,29,000	11.11	-	15,29,000	11.11	15,29,000	-	15,29,000	11.11	-	11.11	-	-	-	-	15,29,000
(m)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(4)	3	15,39,000	11.18		15,39,000	11.18	15,39,000		15,39,000	11.18	-	11.18	-	-	-	-	15,39,000
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+ (B)(4)	3	15,39,000	11.18	-	15,39,000	11.18	15,39,000	-	15,39,000	11.18	-	11.18	-	-	-	-	15,39,000
	Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A																	
	Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.																	

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities of securities (IX)			Total as a % of (A+B+C)	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) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								Class eg: v	Class eg:y	No of Voting (XIV) Rights Total				No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding (C)=(C)(1)+(C)(2)																	

Table V - Statement showing details of significant beneficial owners

Sr No	Details of the significant beneficial owner (I)			Details of the registered owner (II)			Particulars of the shares in which significant beneficial interest is held by the beneficial owner (III)		Date of creation/acquisition of significant beneficial interest (IV)
	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	
N/A									

(8) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Hitesh Pravinchandra Ruparelia	47,51,120	34.52
2.	Utpalbhai Pravinchandra Ruparelia	31,67,560	23.02
3.	Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	14,30,000	10.39
4.	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)	21,27,124	15.46
5.	SD Fashions LLP (Formerly Known as SD Fashions Pvt. Ltd.)	1,88,562	1.37
6.	Shaligram Apparels LLP (Formerly Known as Shaligram Apparels Pvt. Ltd.)	5,57,700	4.05
7.	Chanakya Corporate Services Pvt Ltd	7,64,500	5.55
8.	Chanakya Value Creation LLP	7,64,500	5.55
	Total	1,37,51,066	99.91

(9) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior as on the date of this Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)*
1.	Hitesh Pravinchandra Ruparelia	2,15,960	34.52
2.	Utpalbhai Pravinchandra Ruparelia	1,43,980	23.02
3.	Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	65,000	10.39
4.	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)	97,142	15.53
5.	SD Fashions LLP (Formerly Known as SD Fashions Pvt. Ltd.)	8,571	1.37
6.	Shaligram Apparels LLP (Formerly Known as Shaligram Apparels Pvt. Ltd.)	25,350	4.05
7.	Chanakya Corporate Services Pvt Ltd	34,750	5.55
8.	Chanakya Value Creation LLP	34,750	5.55
	Total	6,25,503	99.98

*Details of shares held on March 31, 2022 and percentage held has been calculated based on paid up capital of our Company as on March 31, 2022.

(10) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior as on the date of this Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)^
1.	Hitesh Pravinchandra Ruparelia	2,15,960	34.52
2.	Utpalbhai Pravinchandra Ruparelia	1,43,980	23.02
3.	Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	65,000	10.39
4.	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)	97,142	15.53
5.	SD Fashions LLP (Formerly Known as SD Fashions Pvt. Ltd.)	8,571	1.37
6.	Shaligram Apparels LLP (Formerly Known as Shaligram Apparels Pvt. Ltd.)	25,350	4.05
7.	Chanakya Corporate Services Pvt Ltd	34,750	5.55
8.	Chanakya Value Creation LLP	34,750	5.55
	Total	6,25,503	99.98

^Details of shares held on June 1, 2023 and percentage held has been calculated based on paid up capital of our Company as on June 1, 2023.

(11) The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior as on the date of this Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Hitesh Pravinchandra Ruparelia	47,51,120	34.52
2.	Utpalbhai Pravinchandra Ruparelia	31,67,560	23.02
3.	Sweet Dreams Loungewear(India) LLP (Formerly Known as Sweet Dreams Loungewear(India) Pvt. Ltd.)	14,30,000	10.39
4.	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)	21,27,124	15.46
5.	SD Fashions LLP (Formerly Known as SD Fashions Pvt. Ltd.)	1,88,562	1.37
6.	Shaligram Apparels LLP (Formerly Known as Shaligram Apparels Pvt. Ltd.)	5,57,700	4.05
7.	Chanakya Corporate Services Pvt Ltd	7,64,500	5.55
8.	Chanakya Value Creation LLP	7,64,500	5.55
	Total	1,37,51,066	99.91

(12) Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing the Red Herring Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.

S. No.	Name of Shareholders	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Hitesh Pravinchandra Ruparelia	July 8, 2023	Promoter & Managing Director	2,15,960	--	Bonus Issue
2.	Utpalbhai Pravinchandra Ruparelia		Promoter & Whole-time Director	1,43,980	--	Bonus Issue
3.	Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.)		Promoter	65,000	--	Bonus Issue
4.	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)		Promoter	97,142	--	Bonus Issue
5.	SD Fashions LLP (Formerly Known as SD Fashions Pvt. Ltd.)		Promoter Group	8,571	--	Bonus Issue
6.	Shaligram Apparels LLP (Formerly Known as Shaligram Apparels Pvt. Ltd.)		Promoter Group	25,350	--	Bonus Issue
7.	Hitesh Pravinchandra Ruparelia	May 1, 2024	Promoter & Managing Director	43,19,200	--	Bonus Issue
8.	Utpalbhai Pravinchandra Ruparelia		Promoter & Whole-time Director	28,79,600	--	Bonus Issue
9.	Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.)		Promoter	13,00,000	--	Bonus Issue
10.	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)		Promoter	19,42,840	--	Bonus Issue
11.	SD Fashions LLP (Formerly Known as SD Fashions Pvt. Ltd.)		Promoter Group	1,71,420	--	Bonus Issue
12.	Shaligram Apparels LLP (Formerly Known as Shaligram		Promoter Group	5,07,000	--	Bonus Issue

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	<i>Apparels Pvt. Ltd.)</i>					
13.	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)	May 11, 2024	Promoter Group	--	10,000	Transferred

(13) None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Hitesh Pravinchandra Ruparelia	Promoter & Managing Director	47,51,120
Utpalbhai Pravinchandra Ruparelia	Promoter & Whole-time Director	31,67,560
Ritesh Surendra Saraogi	Chief Financial Officer	10,000

(14) Capital Build up in respect of shareholding of our Promoter:

As on date of the Red Herring Prospectus, our promoter Hitesh Pravinchandra Ruparelia, Utpalbhai Pravinchandra Ruparelia, Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.) and Grace Garments LLP (Formerly Known as Grace Garments Ltd.) holds 1,14,75,804 Equity Shares constituting 83.39% of the issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)*	Pre-Issue Shareholding %	Post-Issue Shareholding %
Hitesh Pravinchandra Ruparelia						
On Incorporation	Subscriber to MOA	5,000	10.00	10.00	0.04	[●]
November 15, 2006	Further Allotment	2,50,000	10.00	10.00	1.82	[●]
December 22, 2008	Transfer ⁽ⁱ⁾	(100)	10.00	10.00	(0.00)	[●]
June 17, 2010	Transfer ⁽ⁱⁱ⁾	(38,980)	10.00	0.00	(0.28)	[●]
March 7, 2020	Acquired through transfer ⁽ⁱⁱⁱ⁾	40	10.00	10.00	0.00	[●]
July 8, 2023	Bonus Issue	2,15,960	10.00	--	1.57	[●]
May 1, 2024	Bonus Issue	43,19,200	10.00	--	31.38	[●]
Total A		47,51,120			34.52	[●]
Utpalbhai Pravinchandra Ruparelia						
April 28, 2005	Acquired through Transfer ^(iv)	5000	10.00	10.00	0.04	[●]
November 15, 2006	Further Allotment	1,00,000	10.00	10.00	0.73	[●]
June 17, 2010	Acquired through gift ^(v)	38,980	10.00	0.00	0.28	[●]
July 8, 2023	Bonus Issue	1,43,980	10.00	--	1.05	[●]
May 1, 2024	Bonus Issue	28,79,600	10.00	--	20.92	[●]
Total B		31,67,560			23.02	[●]
Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.)						
March 28, 2012	Further Allotment	65,000	10.00	200.00	0.47	[●]
July 8, 2023	Bonus Issue	65,000	10.00	--	0.47	[●]
May 1, 2024	Bonus Issue	13,00,000	10.00	--	9.45	[●]
Total C		14,30,000			10.39	[●]
Grace Garments LLP (Formerly Known as Grace Garments Ltd.)						
March 10, 2014	Further Allotment	97,142	10.00	175.00	0.71	[●]
July 8, 2023	Bonus Issue	97,142	10.00	--	0.71	[●]
May 1, 2024	Bonus Issue	19,42,840	10.00	--	14.12	[●]
May 11, 2024	Transfer ^(vi)	(10,000)	10.00	65.00	(0.07)	[●]
Total D		21,27,124			15.46	[●]
Total (A+B+C+D)		1,14,75,804			83.39	

(i) Details of Share transfer by Hitesh Pravinchandra Ruparelia dated December 22, 2008

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	December 22, 2008	Hitesh Pravinchandra Ruparelia	10	Pravinchandra Ruparelia
			10	Meenaben P Ruparelia
			10	Hina Hitesh Ruparelia
			10	Kashmiraben U Ruparelia
			10	Nipul Natvarlal Thakarar
			10	Amee Nipul Thakarar
			10	Deepak Thakarar
			10	Toralben Deepakbhai Thakrar
			10	Utpalbhai Pravinchandra Ruparelia HUF
			10	Hitesh Pravinchandra Ruparelia HUF
Total			100	

(ii) Details of Share transfer by Hitesh Pravinchandra Ruparelia dated June 17, 2010

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	June 17, 2010	Hitesh Pravinchandra Ruparelia	38,980	Utpalbhai Pravinchandra Ruparelia
Total			38,980	

(iii) Details of Share acquired through transfer by Hitesh Pravinchandra Ruparelia dated March 7, 2020

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	March 7, 2020	Nipul Natvarlal Thakrar	10	Hitesh Pravinchandra Ruparelia
		Amee Nipul Thakrar	10	
		Deepak Thakrar	10	
		Toralben Deepakbhai Thakrar	10	
Total			40	

(iv) Details of Share acquired through transfer by Utpalbhai Pravinchandra Ruparelia dated April 28, 2005

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	April 28, 2005	Nishu Jitendra Negandhi	5000	Utpalbhai Pravinchandra Ruparelia
Total			5,000	

(v) Details of Share acquired through transfer by way of gift by Utpalbhai Pravinchandra Ruparelia dated June 17, 2010

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	June 17, 2010	Hitesh Pravinchandra Ruparelia	38,980	Utpalbhai Pravinchandra Ruparelia
Total			38,980	

(vi) Details of Share transfer by Grace Garments LLP dated May 11, 2024

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	May 11, 2024	Grace Garments LLP	10,000	Ritesh Surendra Saraogi
Total			10,000	

(15) The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
Hitesh Pravinchandra Ruparelia	47,51,120	0.54
Utpalbhai Pravinchandra Ruparelia	31,67,560	0.33
Sweet Dreams Loungewear (India) LLP	14,30,000	9.09
Grace Garments LLP	21,27,124	7.69

*Average cost of acquisition is calculated on the basis of face value of equity shares of Rs. 10/- each.

(16) Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Red Herring Prospectus.

Date of Transaction	Number of Equity Shares Allotted/ Acquired/ (Sold)	Face Value (Rs.)	Issue Price/ Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
May 1, 2024	43,19,200	10.00	--	Bonus Issue	Other than Cash	Hitesh Pravinchandra Ruparelia	Promoter & Managing Director
	28,79,600	10.00	--	Bonus Issue	Other than Cash	Utpalbhai Pravinchandra Ruparelia	Promoter & Whole-time Director
	13,00,000	10.00	--	Bonus Issue	Other than Cash	Sweet Dreams Loungewear (India) LLP (Formerly Known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	Promoter
	19,42,840	10.00	--	Bonus Issue	Other than Cash	Grace Garments LLP (Formerly Known as Grace Garments Ltd.)	Promoter
	1,71,420	10.00	--	Bonus Issue	Other than Cash	SD Fashions LLP (Formerly Known as SD Fashions Pvt. Ltd.)	Promoter Group
	5,07,000	10.00	--	Bonus Issue	Other than Cash	Shaligram Apparels LLP (Formerly Known as Shaligram Apparels Pvt. Ltd.)	Promoter Group
	200	10.00	--	Bonus Issue	Other than Cash	Pravinchandra Ruparelia	Promoter Group
	200	10.00	--	Bonus Issue	Other than Cash	Meenaben P Ruparelia	Promoter Group
	200	10.00	--	Bonus Issue	Other than Cash	Hina Hitesh Ruparelia	Promoter Group
	200	10.00	--	Bonus Issue	Other than Cash	Utpalbhai Pravinchandra Ruparelia HUF	Promoter Group
	200	10.00	--	Bonus Issue	Other than Cash	Hitesh Pravinchandra Ruparelia	Promoter Group
May 11, 2024	10,000	10.00	65.00	Transfer	Cash	Grace Garments LLP	Promoter

*The maximum and minimum price at which the aforesaid transaction was made is Rs.65/- and nil per Equity Share.

(16) Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Red Herring Prospectus is as below: -

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares	Shares	% Shares

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			Held	Held	Held
	Promoter				
1.	Hitesh Pravinchandra Ruparelia	47,51,120	34.52	47,51,120	25.38
2.	Utpalbhai Pravinchandra Ruparelia	31,67,560	23.02	31,67,560	16.92
3.	Sweet Dreams Loungewear (India) LLP	14,30,000	10.39	14,30,000	7.64
4.	Grace Garments LLP	21,27,124	15.46	21,27,124	11.36
	TOTAL (A)	1,14,75,804	83.39	1,14,75,804	61.29
	Promoter Group				
1.	Pravinchandra Ruparelia	220	0.00	220	0.00
2.	Meenaben P Ruparelia	220	0.00	220	0.00
3.	Hina Hitesh Ruparelia	220	0.00	220	0.00
4.	Kashmiraben U Ruparelia	220	0.00	220	0.00
5.	Utpalbhai Pravinchandra Ruparelia HUF	220	0.00	220	0.00
6.	Hitesh Pravinchandra Ruparelia HUF	220	0.00	220	0.00
7.	SD Fashions LLP	1,88,562	1.37	1,88,562	1.01
8.	Shaligram Apparels LLP	5,57,700	4.05	5,57,700	2.98
	TOTAL (B)	7,47,582	5.43	7,47,582	3.99
	GRAND TOTAL (A+B)	1,22,23,386	88.82	1,22,23,386	65.29

(17) Details of Promoter's Contribution locked in for three years:

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/ Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
Hitesh Pravinchandra Ruparelia								
May 1, 2024	May 1, 2024	Bonus Issue	3,00,000	10.00	--	2.18	[●]	3 Years
Utpalbhai Pravinchandra Ruparelia								
May 1, 2024	May 1, 2024	Bonus Issue	2,00,000	10.00	--	1.45	[●]	3 Years
Sweet Dreams Loungewear (India) LLP								
May 1, 2024	May 1, 2024	Bonus Issue	13,00,000	10.00	--	9.45	[●]	3 Years
Grace Garments LLP								
May 1, 2024	May 1, 2024	Bonus Issue	20,00,000	10.00	--	14.53	[●]	3 Years
Total			38,00,000			27.61	[●]	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

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

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

Our Promoter, Hitesh Pravinchandra Ruparelia and Utpalbhai Pravinchandra Ruparelia, Grace Garments LLP, Sweet Dreams Loungewear LLP have, by a written undertaking, consented to have 38,00,000 Equity Shares held by him to be locked in as Minimum Promoter Contribution for a period of three years from the date of allotment in this Issue and will not be disposed /sold/transferred by the promoter during the period starting from the date of filing this Red Herring Prospectus with SME Platform of NSE (NSE EMERGE) till the date of commencement of lock-in period as stated in this Red Herring Prospectus. The Equity Shares under the Promoters contribution will constitute [●] % of our post-Issue paid up share capital.

Our Promoter has also consented that the Promoters contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 237 of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237 (1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <u>Hence Eligible</u>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible</u>
237 (1) (b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>
237 (1) (c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management	The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible.</u>

Details of Share Capital Locked in For One Year

In terms of Regulation 236 and 237 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group members and Public holding 99,62,386 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

- In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37

of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

- (18) None of our Promoter, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Red Herring Prospectus.
- (19) Neither, we nor our Promoter, Directors and the Book Running Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
- (20) As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Issue.
- (21) As on the date of the Red Herring Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
- (22) Our Company has not raised any bridge loan against the proceeds of the Issue.
- (23) Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
- (24) As on the date of the Red Herring Prospectus, none of the shares held by our Promoter / Promoters Group are subject to any pledge.
- (25) The Lead Manager i.e. Beeline Capital Advisors Private Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Red Herring Prospectus.
- (26) Except the Pre-IPO Placement, we here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.
- (27) Except the Pre-IPO Placement, our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments
- (28) None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
- (29) An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock- in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- (30) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
- (31) In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
- (32) The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.

- (33) The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
- (34) At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- (35) Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
- (36) As on the date of the Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option scheme/ / Employees Stock Purchase Scheme.
- (37) There are no Equity Shares against which depository receipts have been issued.
- (38) Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Red Herring Prospectus.
- (39) We have 15 (Fifteen) Shareholders as on the date of filing of the Red Herring Prospectus.
- (40) There are no safety net arrangements for this Public Issue.
- (41) Our Promoter and Promoter Group will not participate in this Issue.
- (42) This Issue is being made through Book Building Method.
- (43) Except as disclosed in the Red Herring Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Red Herring Prospectus.
- (44) No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
- (45) We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

SECTION VII – PARTICULARS OF THE ISSUE**OBJECTS OF THE ISSUE**

The Issue includes a public Issue of Upto 49,60,000 Equity Shares of our Company at an Issue Price of [●] per Equity Share.

Requirement of Funds: -

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

1. Capital expenditure to be incurred by our Company for setting up new exclusive brand outlets (“EBOs”)
2. Funding Working Capital Requirement
3. General Corporate Purpose

(Collectively referred as the “objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of National Stock Exchange of India Limited (NSE EMERGE).

It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA).

Further the objects clause and objects incidental and ancillary to the main objects clause of our Subsidiary, enables to undertake their existing business activities

Proceeds of the Issue:

The details of the proceeds from the Issue are provided in the following table:

Particulars	Amt. (₹ in Lakhs)
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses*	[●]
Net Issue Proceeds*	[●]

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

Utilization of Funds:

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

S. No	Particulars	Amt. (₹ in Lakhs)	% of Total Size
1.	Capital expenditure to be incurred by our Company for setting up new exclusive brand outlets (“EBOs”)	1648.85	[●]
2.	Funding Working Capital Requirement	3500.00	[●]
3.	General Corporate Expenses*	[●]	[●]
Net Issue Proceeds		[●]	[●]

**To be finalised upon determination of the Issue 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.*

Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:
(₹ In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 2024-25*	Amount to be deployed and utilized in F.Y. 2025-26*
1.	Capital expenditure to be incurred by our Company for setting up new exclusive brand outlets (“EBOs”)	879.95	768.90
2.	Funding Working Capital Requirement	2500.00	1000.00
3.	General Corporate Expenses*	[●]	[●]
	Total	[●]	[●]

* To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Issue Proceeds in the subsequent Financial Years towards the Object.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required.

In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals.

However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Red Herring Prospectus.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company’s historical expenditure may not be reflective of our future expenditure plans.

Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management.

This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company’s management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page 27 of the Red Herring Prospectus.

Means of Finance: -We intend to finance our Objects of Issue through Net Proceeds which is as follows:

Particulars	Amt. (₹ in Lakhs)
Net Proceeds	[●]
Total	[●]

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

Details of the Objects:**1. Expenditure for opening new Exclusive Brand Outlets (EBOs)**

Our Company retails products through its network of EBOs. The first EBO of our Company was launched on October 27, 2018. As on March 31, 2024, our Company operated and managed 23 EBO's across India. Average revenue per EBO in Fiscal Year 2022, 2023 and 2024 are provided below:

(In Lakhs)			
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Average revenue per EBO*	58.88	36.89	30.86

* Calculated as Net sales through EBOs (during closed EBO's) during a given period divided by average of opening and closing number of EBOs for that period.

* As certified by M A A K & Associates, Chartered Accountants, pursuant to their certificate dated September 06, 2024 having UDIN 24133926BKCJUR1001.

We typically open our EBOs across high street and mall formats.

We believe there is an opportunity for further growth in the markets in which we operate as well as in new markets, and in order to expand our EBO network and promote its retail reach, we intend to open new SWEET DREAMS EBOs across a mix of mall stores and high-street outlets in India.

We intend to leverage this channel to curate a richer brand experience for our consumers and deepen engagement with them in the offline retail environment. For further details, please see "Our Business" on page 137.

We have setup only one EBO under COCO Model (i.e. Company owned and Company Operated) since beginning. Average capital expenditure on setting up EBO is provided below:

Particulars*	Per Sq. feet Capital Expenditure
EBO – COCO Model	Rs. 6216/-

* As certified by M A A K & Associates, Chartered Accountants, pursuant to their certificate dated June 22, 2024.

Our Company proposes to utilise ₹1648.85 Lakhs from the Net Proceeds during Financial Years 2025 and 2026 towards expansion of EBOs in India across a mix of mall stores and high-street outlets in India. Our Company proposes to set up 65 new EBOs across India for which funds are proposes to be utilised, as set out below:

Particulars	COCO
For the Financial Year 2025	
Malls	30
Highstreets	5
For the Financial Year 2026	
Malls	30
TOTAL	65

As on the date of this Red Herring Prospectus, we are yet to identify the exact locations or enter into agreements for lease of suitable properties for setting up the EBOs pursuant to which we intend to utilize the amount from Net Proceeds.

While we may open EBOs in, inter alia, the following Indian cities namely, Mumbai, Bangalore, Hyderabad, Ahmedabad, Chennai, Kolkata, Pune, Jaipur, Lucknow, Ludhiana, Amritsar, Coimbatore, Calicut, Cochin and Delhi/ national capital region, these locations are not exhaustive and may undergo changes.

These will be decided by our Company after conducting a detailed analysis of the demographics, foot falls, lease rentals and other

business and market considerations. The above estimate of number of EBOs to be set up is an internal management estimate and based on current business needs.

The total number of EBOs that are set up may vary from the above estimates, subject to compliance with applicable law, in light of inter alia changes in costs, business strategy or external circumstances which may not be in our control.

Estimated cost for establishing EBOs

The estimated cost for establishing these EBOs primarily comprise of expenses on the interiors of EBOs and other expenses, such as furniture and fixtures, electrical, air conditioning, security systems, lighting, information technology systems, etc. ("Store Fit Out Expenses").

Our Company estimates that Store Fit Out Expenses would be similar across EBOs proposed to be set up in various locations.

The sizes and layout of our EBOs will vary across regions and depend on various factors such as type / format of the EBOs, availability of suitable locations, addressable market, lease rentals, competition within a given region or across regions, etc. To arrive at the estimated costs for setting up an EBO:

- (i) We have considered an average EBO size of 500 square feet ("Average Store Size"), being the average of the typical sizes of the various categories of mall stores and high-street outlets in India; and
- (ii) We have taken into account (a) sample quotations on turnkey basis received from vendors from whom we have purchased similar items, with a sample size of one EBO assuming set-up in Financial Year 2025 and financial year 2026; and (b) our management and internal estimates for specifications and item requirements, based on our prior experience of setting-up similar EBOs.

Accordingly, the estimated capital expenditure for setting-up of one Average Store Size EBO in Financial Year 2025 and Financial Year 2026 is as follows:

Particulars	Cost per Store* (₹ in Lakhs)		Estimated Cost (₹ in Lakhs) For FY 2025*			Estimated Cost (₹ in Lakhs) For FY 2026*			Grand Total*
	Mall	Highstreet	Mall	Highstreet	Total	Mall	Highstreet	Total	
Estimated No. of Stores	--	--	30	5	35	30	0	30	65
Fixtures ⁽¹⁾	3.47	3.47	104.10	17.35	121.45	104.10	--	104.10	225.55
Civil and Turnkey ⁽²⁾	21.21	17.79	636.30	88.95	725.25	636.30	--	636.30	1361.55
Lighting ⁽³⁾	0.95	0.95	28.50	4.75	33.25	28.50	--	28.50	61.75
Total	25.63	22.21	768.90	111.05	879.95	768.90	--	768.90	1648.85

* As certified by M A A K & Associates, Chartered Accountants, pursuant to their Project Report dated June 20, 2024 having UDIN 24133926BKCJQX8557.

⁽¹⁾ The Fixtures portion of capex is as per Quotation availed by Company from Prime Group of Companies (Prime Enterprises having Udyog Aadhar Memorandum – MH17D0038247) dated June 08, 2024 with validity of 6 month.

⁽²⁾ The Civil and turnkey is as per Quotation availed by Company from Prime Group of Companies (Prime Enterprises having Udyog Aadhar Memorandum – MH17D0038247) dated June 08, 2024 with validity of 6 month.

⁽³⁾ The Lighting portion of capex is as per Quotation availed by Company from Agro Lighting Private Limited dated June 07, 2024 with validity of 6 months.

Further Prime Group of Companies (Prime Enterprises having Udyog Aadhar Memorandum – MH17D0038247) and Agro Lighting Private Limited is not related to the Company/Directors/Promoters/Promoter Group directly or indirectly in any manner

The expenditure at the time of establishing a New Store comprises of the following:

Heading	Particulars
Fixtures	Fixtures includes connector, hangbar, step arm, base podium, drawer unit, cash counter unit, nesting belt, hang rail, reception chair etc.
Civil and Turnkey	It includes civil work, false ceiling, carpenter work, electrical work, firefighting alarm systems, ducting, paint work etc.
Lighting	Lighting includes Chip on Board LED, Surface Mounted Linear Light, Surface Light Reflector beam Angel etc.

The Lease cost for setting up of EBO's will be sourced from internal accrual of the Company depending upon location of cities and area. The Estimated lease cost is ₹350/- per Sq. feet and Lease cost for setting up of EBO's will be sourced from internal accrual of the Company depending upon location of cities and area.

The size of our stores varies across regions and is dependent on various factors such as availability of suitable locations, addressable market, lease rentals and competition within a given region or across regions.

We have not entered into any definitive agreements with any or all of these vendors and there can be no assurance that the above-mentioned vendors would be eventually engaged to supply the above-mentioned materials. Our Promoters, Promoter Group, Directors or KMPs have no interest in the proposed procurements, as stated above.

2. To Meet Working Capital Requirement of our Company

Since Incorporation, our Company is engaged in manufacturing and outsourcing of loungewear and sleepwear garments. The Business of the Company is working capital intensive; hence it will meet the requirement to the extent of ₹3500.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirements of the business.

The Company will be utilising the additional working capital for expansion of its business activities.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lakhs)

S. No.	Particulars	Actual (Restated) 31-March-22	Actual (Restated) 31-March-23	Actual (Restated) 31-March-24	(Provisional) 31-March-25	(Projected) 31-March-26
I	Current Assets					
	Trade receivables	4,764.85	5,221.85	8,145.58	9,439.49	10,927.41
	Inventories	2,316.56	2,585.37	2,586.09	4,000.19	5,693.46
	Cash and cash equivalents*	51.37	69.97	402.23	123.49	321.65
	Short term loan & Advances	217.75	467.58	223.53	502.37	502.37
	Other Current Assets	23.01	37.48	29.67	29.67	29.67
	Total(A)	7,373.53	8,382.25	11,387.10	14,095.21	17,474.56
II	Current Liabilities					
	Trade payables	1,936.03	2,060.75	1906.29	2,166.55	2,914.84
	Other Current Liabilities	937.45	1,100.99	1515.88	1,662.59	1,919.47
	Short Term Provisions	45.92	168.18	214.93	348.41	559.22
	Total (B)	2,919.40	3,329.92	3,671.10	4,177.55	5,393.53
III	Total Working Capital Gap (A-B)	4,454.14	5,052.32	7,750.00	9,917.66	12,081.03
IV	Funding Pattern					

SWEET DREAMS

	Short term borrowing & Internal Accruals	4,454.14	5,052.32	7,750.00	7,417.66	11,081.03
	IPO Proceeds	-	-	-	2,500.00	1,000.00

Holding Levels

The following table sets forth the details of the holding period levels (in days) considered ⁽¹⁾:

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Provisional March 31, 2025	Provisional March 31, 2026
Debtors (in days)	122	135	160	160	136
Creditors (in days)	95	91	119	71	69
Inventories (in days)	102	112	129	114	132

(1) As certified by the V C A N & Company, Chartered Accountant pursuant to their certificate dated September 10, 2024 having UDIN 24175015BKCIWD9594

(2) Inventory days: Average of inventory for the current and previous period / direct cost (including cost of goods sold and other direct expenses) * 365

(3) Trade receivable days: Average of trade receivables for the current and previous period/ revenue from operations * 365

(4) Trade payable days: Average of trade payables for the current and previous period / total direct cost for the current period * 365

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below.

Component of Working Capital	Particulars
Cash and Cash Equivalents	Cash and cash equivalents include balances in current account with scheduled bank and cash in hand. Cash and Cash Equivalent balance is estimated based on previous years outstanding amount and for expected Business requirement of company. Cash and cash equivalents does not include other cash balances.
Loans and Advances	Loans and advances mainly include Advance to creditors, security deposits, Unbilled revenue and other miscellaneous items. Loans and advances is estimated based on previous years outstanding amount and for expected Business requirement of company.
Other Current Assets	Other Current Assets mainly include Prepaid expenses and balance with government authorities. Other Current Assets is for expected Business requirement of company.
Other current liabilities	Other Liabilities mainly include Advance from customers, statutory liabilities, Security deposits. Other current liabilities is estimated based on previous years outstanding amount and for expected Business requirement of company.

Short-term provisions	Short-term provisions mainly include Provision for income tax, provision of gratuity expenses and provision of other expenses. Short-term provisions is estimated based on previous years outstanding amount and for expected Business requirement of company.

Justification of working Capital Requirement for previous years:

Fiscal year 2023 Compared to Fiscal Year 2022:

Total Working Capital requirement has increased to Rs 5020.64 lacs as on 31st March 2023 as compared to Rs 4423.59 lacs as on 31st March 2022.

Mainly reasons are mentioned below:

- Trade Receivables has increased to Rs 5221.85 lacs as on 31st March 2023 as compared to Rs 4764.85 lacs as on 31st March 2022.

Overall revenue increased to Rs 13508.81 lacs during Fiscal Year 2023 as compared to Rs 12852.93 lacs during Fiscal Year 2022. Increase in revenue in Fiscal Year 2023 was 5.10 % as compared to Fiscal Year 2022 whereas trade receivable increased by 9.59% as on 31st March 2023 as compared to 31st March 2022 and trade receivable days increased to 141 days as on 31st March 2023 as compared to 135 days as on 31st March 2022. Since in March 2022 we were able to collect faster which was not expected to continue going ahead this increase was with-in expected range. An increase in amount and days both were expected due to higher sales.

- Inventories has increased to Rs 2585.37 Lacs as on 31st March 2023 as compared to Rs 2316.56 lacs as on 31st March 2022.

Overall revenue increased to Rs 13508.81 lacs during Fiscal Year 2023 as compared to Rs 12852.93 lacs during Fiscal Year 2022. Increase in revenue in Fiscal Year 2023 was 5.10 % as compared to Fiscal Year 2022 where as inventory has increased by 11.60 % as on 31st March 2023 as compared to 31st March 2022 and Inventory days increased to 70 days as on 31st March 2023 as compared to 66 days as on 31st March 2022. Since Inventory has to be planned in much advance since production cycle ranges from four months to six months some additional cover has to be kept to plan growth accordingly inventory days has increased and also absolute inventory has increased.

- Cash Balance and Bank as on 31st March 2023 was Rs 38.27 lacs as against 20.83 lacs as on 31st March 2022.

Since company has availed Cash credit facility from bank all receipts and payments are transferred to cash credit account. This balance is balance which was maintained in current account as on 31st March and could not be transferred to Cash Credit Account and regular cash balance maintained in company for day-to-day expenses. This movement is regular in nature.

- Short Term Loans and Advances as on 31st March 2023 was Rs 467.58 lacs as against Rs 217.75 lacs as on 31st March 2022.

The major impact of increase in balance with Government authorities from Rs 101.59 lacs as on 31st March 2022 to Rs 292.99 lacs. Increase was mainly on account of utilized GST credit which got accumulated during the Fiscal Year.

- Other current assets as on 31st March 2023 was Rs 37.47 lacs as against Rs 23.01 lacs as on 31st March 2022.

These are usual movements and include Prepaid expenses, Interest Accrued but not due, Security deposits given and current in nature and other receivables.

- Trade payables has increased from Rs 1936.04 lacs as on 31st March 2022 to Rs 2060.74 lacs as on 31st March 2023.

Overall revenue increased to Rs 13508.81 lacs during Fiscal Year 2023 as compared to Rs 12852.93 lacs during Fiscal Year 2022. Increase in revenue in Fiscal Year 2023 was 5.10 % as compared to Fiscal Year 2022 and Cost of Material Purchased increased by 10.44% during Fiscal Year 2023 as compared to Fiscal Year 2022. Trade Payable increase as on 31st March 2023 was 6.44% as compared to Trade Payable as on 31st March 2022. Increase was mainly on account of increase cost of goods Purchased. Trade Payable days as against cost of material purchased has decreased as on 31st March 2023 to 108 Days as against 112 days as on 31st March 2022. Decrease is mainly on account of earlier payment from profit generated from operations.

- Other Current liabilities has increased from Rs 937.45 lacs as on 31st March 2022 to Rs 1100.99 lacs as on 31st March 2023.

Advance received from customer has increased from 52.06 lacs as on 31st March 2022 to Rs 132.71 lacs as on 31st March 2023. These are regular advances received from customers in regular course of business. Creditors for expenses has increased from Rs 247.95 lacs as on 31st March 2022 to Rs 334.33 lacs as on 31st March 2023. This increase was in line with increase in overall expenses of the company. Other movements were Other Payables, Payable to employees, Trade Deposit received from Customers and Payable to Government Authorities. Aggregate outstanding of Rs 637.45 lacs as on 31st March 2022 has decreased to Rs 633.95 lacs. This was usual movement in day to day business.

- Short Term Provisions has increased from Rs 45.92 lacs as on 31st March 2022 to Rs 168.18 lacs as on 31st March 2023.

Short Term provision consist of Provision for gratuity, leave encashment and Provision for tax (net of advance tax). Since major advance tax was paid in Fiscal Year 2022 net liability outstanding as on 31st March 2022 was only Rs 20.57 lacs which increased to 132.63 lacs (Net) as on 31st March 2023 due to provision made for taxation. Aggregate provision for gratuity and leave encashment was Rs 35.55 lacs as on 31st March 2023 as compared to Rs 25.35 lacs as on 31st March 2022.

Fiscal year 2024 Compared to Fiscal Year 2023:

The Overall Working Capital increased from Rs 5052.34 lacs as on 31st March 2023 to Rs 7750.00 lacs as on 31st March 2024.

Mainly reasons are mentioned below:

- Trade receivables are expected to increase from Rs 5211.85 lacs as on 31st March 2023 to Rs 8145.58 lacs as on 31st March 2024.

Overall revenue increased to Rs 16255.89 lacs during the Fiscal Year 2024 as compared to Rs 13508.81 lacs during Fiscal Year 2023. Increase in revenue for the Fiscal Year 2024 was 20.34% as compared to Fiscal Year 2023 whereas trade receivable increased by 55.99% as on 31st March 2024 as compared to 31st March 2023 and trade receivable days increased to 183 days as on 31st March 2024 as compared to 141 days as on 31st March 2023.

Our business consist of two seasons namely winter and summer. Winter season comprises of August to December and Summer Season consist of January to July. Major billing for Company in Summer season happens from December to March month where as in winter season happens from August to October months. Lately due to delayed winter seasons, shorter winter seasons and unpredictable weather season production planning and consequent revenue has become unpredictable hence company has moved its major planning and production to summer season. This has resulted in increased billing in December to March Season i.e. 4 months.

- Inventories has increased to Rs 2586.09 Lacs as on 31st March 2024 as compared to Rs 2585.37 lacs as on 31st March 2023.

Inventory has increased marginally by Rs 0.72 lacs as on 31st March 2024 as compared to 31st March 2023 and Inventory days has decreased to 58 days as on 31st March 2024 as compared to 70 days as on 31st March 2023.

- Cash and Bank Balance as on 31st March 2024 was Rs 402.23 lacs as against 69.97 lacs as on 31st March 2023.

Since company has availed Cash credit facility from bank all receipts and payments are transferred to cash credit account. This balance was mainly due to balance maintained in current account as on 31st March 2024 and could not be transferred to Cash Credit Account.

- Short Term Loans and Advances as on 31st March 2024 was Rs 223.53 lacs as against Rs 467.58 lacs as on 31st March 2023.

There was major movement of Balance with Government authorities from Rs 292.99 lacs as on 31st March 2023 to Rs 91.11 lacs. Reduction was mainly on account of refund taken from government for un-utilized GST credit during the Fiscal Year 2024. There is reduction in advance given to suppliers from Rs 95.08 lacs as on 31st March 2023 to Rs 65.39 lacs as on 31st March 2024.

- Other current assets as on 31st March 2024 was Rs 29.67 lacs as against Rs 37.47 lacs as on 31st March 2023.

These are usual movements and include Prepaid expenses, Interest Accrued but not due, Security deposits given and current in nature and other receivables

- Trade payables has decreased from Rs 2060.74 lacs as on 31st March 2023 to Rs 1906.29 lacs as on 31st March 2024.

Reducing in Trade payables is mainly due to government had announced MSME regulations where in it mandates clearance of overdue bills till 31st March to avoid any tax liability to MSME Firms and Companies. Company repaid amounts to MSME suppliers outstanding more than 45 days wherever possible before 31st March 2024 reducing overall Trade Payables as on 31st March 2024.

- Other Current liabilities has increased from Rs 1100.99 lacs as on 31st March 2023 to Rs 1515.88 lacs as on 31st March 2024.

The Advance received from customer has increased from 132.71 lacs as on 31st March 2023 to Rs 171.13 lacs as on 31st March 2024. This are regular advances received from customers in regular course of business.

Creditors for expenses has increased from Rs 334.33 lacs as on 31st March 2023 to Rs 632.96 lacs as on 31st March 2024. This increase was in line with increase in overall expenses of the company and extended credit availed from creditors for expenses during the period ended.

Other movements were Other Payables, Payable to employees, Trade Deposit received from Customers and Payable to Government Authorities. Aggregate outstanding of Rs 633.95 lacs as on 31st March 2023 has increased to Rs 711.79 lacs as on 31st March 2024. Increase was mainly due to increase in deposit received from customers of Rs 68.19 lacs.

- Short Term Provisions has increased from Rs 168.18 lacs as on 31st March 2023 to Rs 214.93 lacs as on 31st March 2024.

Short Term provision consist of Provision for gratuity, leave encashment and Provision for tax (net of advance tax). Net Tax liability to be paid to government has increased from Rs 132.63 lacs as on 31st March 2023 to Rs 178.45 lacs as on 31st March 2024 due to provision made for taxation. Aggregate provision for gratuity and leave encashment was Rs 36.49 lacs as on 31st March 2024 as compared to Rs 35.55 lacs as on 31st March 2023.

Justification of increased working Capital Requirement for FY 2024-25 and FY 2025-26

31st March 2025 Compared to 31st March 2024.

Overall working capital is expected to increase from Rs 7750.00 lacs as on 31st March 2024 to Rs 9917.66 lacs as on 31st March 2025.

Reasons are mentioned below

- Trade Receivables are expected to increase from 8,145.58 lacs as on 31st March 2024 to Rs 9439.49 lacs as on 31st March 2025.

The primary reason for increase in receivable as Company is expecting overall increase of revenue of which increase in trade receivable as on 31st March 2025 as compared to 31st March 2024 hence bringing in overall efficiency in Receivable days from

160 days as on 31st March 2024 and 31st March 2025.

Secondly the Company is expecting to bring this efficiency by induction of EBO and more distributed revenue during overall year as compared to depending on last 4 months during Fiscal Year 2024.

- Inventories are expected to Increase from Rs 2586.09 lacs as on 31st March 2024 to Rs 4000.19 lacs as on 31st March 2025.

Company is expecting overall increase of revenue and increase in Inventories as on 31st March 2025 as compared to 31st March 2024. Higher Inventories are required to be planned to meet higher projected sales and demand for Fiscal Year 2026. This will also lead to higher Inventory days as against cost of material purchased of 73 Days as on 31st March 2025 as against 58 days as on 31st March 2024. Also as we are proposing expansion in EBO's which is main cause for increase in Inventories as on March 31, 2025 as we have to minimum inventories in our EBO's and subsequent in our warehouse to meet the demand of other trade channels and EBO's.

- Cash Balance and Bank as on 31st March 2025 is expected to be Rs 123.49 lacs as against Rs 402.23 lacs as on 31st March 2024.

Since company has availed Cash credit facility from bank all receipts and payments are transferred to cash credit account. This balance is balance which was maintained in current account as on 31st March and could not be transferred to Cash Credit Account and cash balance for regular business of company. This movement is regular in nature.

- Short Term Loans Advances are expected to increase to Rs 502.37 lacs as on 31st March 2025 as against 223.53 lacs as on 31st March 2024.

Company has projected increase of ₹100 lacs in overall advances to supplier and Rs ₹100 lacs balance with government authorities. This increase is expected in due course of business to maintain day to day business of company.

- Other current assets are projected at Rs 29.67 lacs as on 31st March 2025 as against 29.67 lacs as on 31st March 2024.

No major movement is expected in Other Current Assets of Company.

- Trade Payables are expected to be Rs 2166.55 lacs as on 31st March 2025 as against 1906.29 lacs as on 31st March 2024.

As the expected revenue will increase and this will lead to reduction in Payable Days against cost of material purchased from 119 days as on 31st March 2024 to 71 days as on 31st March 2025. As company is expected pay earlier due to MSME regulations introduced by Government of India in Direct Taxes further Company is also expecting to avail better prices from suppliers which will lead to improved cost of material purchased as % of revenue earned and consequent increase in overall profitability of Company which has been factored in overall profitability projected for the Company.

- Other Current Liabilities are expected to increase to Rs 1622.59 lacs as on 31st March 2025 as against 1515.88 lacs as on 31st March 2024.

This increase will be required to mitigate overall revenue of the company.

- Short Term Provisions is expected to increase to Rs 348.41 lacs as on 31st March 2025 as against 214.93 lacs as on 31st March 2024.

Increase will be mainly on account of net tax provision which will be provided as on 31st March 2025 as compared to 31st March 2024 due to expected higher profits earned during the Fiscal Year 2024.

Fiscal year 2026 Compared to Fiscal Year 2025.

Company is expecting overall increase in working capital from 9917.66 lacs as on 31st March 2025 to Rs 12081.03 lacs as on 31st March 2026

Reason for increase are explained below.

- Company is expecting Trade receivable to increase from Rs 9439.49 lacs as on 31st March 2025 to Rs 10927.41 lacs as on 31st March 2026.

The primary reason for increase in receivable as Company is expecting overall increase of revenue. Company is expecting to bring overall efficiency in working capital requirement by reducing receivable days from 172 days as on 31st March 2025 to 146 Days as on 31st March 2026. This will be done by much more distributed sales by introduction of EBO during complete year and better recovery days brining in overall efficiency in business.

- Company is expecting Inventories to increase from Rs 4000.19 lacs as on 31st March 2025 to Rs 5693.46 lacs as on 31st March 2026.

Since company is expecting overall increase in revenue due to addition of EBO's which will result in increase in Inventory to meet higher projected revenue numbers for Fiscal Year 2027 and continue the growth story in coming years. This will lead to increased inventory days from 73 days as on 31st March 2025 to 76 days as on 31st March 2026.

- Cash Balance and Bank as on 31st March 2026 is expected to be Rs 321.65 lacs as against Rs 123.49 lacs as on 31st March 2025.

Since company has availed Cash credit facility from bank all receipts and payments are transferred to cash credit account. This balance is balance which was maintained in current account as on 31st March and could not be transferred to Cash Credit Account and cash balance for regular business of company. This movement is regular in nature.

- Short term loans and advances are expected to be Rs 502.37 lacs as on 31st March 2026 as against 502.37 lacs as on 31st March 2025.

The Company is not expecting any major increase in Short Term loans and advances in regular course of business.

- Other Current assets company is expecting Rs 29.67 lacs as on 31st March 2026 as against Rs 29.67 lacs as on 31st March 2025.

The Company is not expecting any major increase in Other Current assets.

- Trade payables is expected to increase to Rs 2914.84 lacs as on 31st March 2026 as compared to Rs 2166.55 lacs as on 31st March 2025.

Since company is expecting overall increase in revenue due to addition of EBO's as one of major reason, the trade payable days to be increase to 83 days as on 31st March 2026 as against 79 days as on 31st March 2025. This increase is usual in nature.

- Other Current Liabilities is expected to increase to Rs 1919.47 lacs as on 31st March 2026 as against 1662.59 lacs

This increase will be expected due to overall increase in business of the company and hence consequent increase expense and other current liabilities of Company.

- Short Term Provisions are expected to increase form 348.41 lacs as on 31st March 2025 to Rs 559.22 lacs as on 31st March 2026.

The major reason in increase is mainly expected on account higher next tax liability provision as on 31st March 2026 due to increased profit projected in Fiscal Year 2026.

Company operates in two seasons namely Winter and Summer. For winter season company manufactures special range of Sleep

Sets and separates which consist of heavy fabrics like fleece, velor, polar fleece, Comfy Rib, etc this are specific winter merchandise and are largely depended on cold during winter.

Hence Winter revenue depends heavily on seasonality. Taking a higher in production for winter season increases risk for the Company as winter season is unpredictable. Further light weight fabrics sleep sets and separates are also produced for pre winter season for North and rest of North India but revenue of company and clearance of stock is largely dependent on how cold moves during the winter season. Hence special heavy fabric merchandise planned during winter season needs to be planned very cautiously.

Due to summer season being longer and even all throughout the country, company takes higher bet on production and sales. Since this is not dependent very much on how season moves and geography it's a much safer to produce higher and grow the market. Hence company is focusing to increase overall market share in summer season and restrict its overall risk during winter season.

3. General Corporate Purposes

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. [●] Lakhs towards the general corporate purposes to drive our business growth.

In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

4. Public Issue Expenses: -

The estimated Issue related expenses include Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee.

The total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs which is [●]% of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Book Running Lead Manager Fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling, commission and upload fees	[●]	[●]	[●]
Registrar to the issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	[●]	[●]	[●]

SWEET DREAMS

Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Total Estimated Issue Expenses	[●]	[●]	[●]

* To be incorporated in the Prospectus after finalisation of the Issue Price.

Notes:

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*
- Portion for RIIs 0.01% ^ or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% ^ or ₹ 100/- whichever is less ^ (exclusive of GST)*
- ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
- Registered Brokers, will be entitled to a commission of ₹10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs*
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.*

Funds Deployed and Source of Funds Deployed:

Our Peer Review Auditor **M/s. V C A N & Company**, Chartered Accountants vide their certificate dated September 07, 2024 vide UDIN **24175015BKCIVU1544** have confirmed that as on September 06, 2024

The following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs) *
Issue Expenses	28.16
Total	28.16

* Amount exclusive of applicable taxes.

Sources of Financing for the Funds Deployed:

Our Peer Review Auditor **M/s. V C A N & Company**, Chartered Accountants vide their certificate dated September 07, 2024

vide UDIN **24175015BKCIVU1544** have confirmed that as on September 06, 2024.

The source of following funds for the proposed object of the Issue:

Particulars	Amt. (₹ in Lakhs)*
Internal Accruals	28.16
Total	28.16

* Amount exclusive of applicable taxes.

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based management estimates.

The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

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

Bridge Financing Facilities

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

Monitoring Utilization of Funds

The Audit Committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue.

On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act and as per applicable laws.

In accordance with Section 27 of the Companies Act, 2013 and as per applicable laws, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under.

As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds.

No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

BASIS OF ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Business Overview” and its financial statements under the section titled “Financial Information of our Company” beginning on page 27, page 137 and page 194 respectively of this Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is [●] which is [●] times of the face value.

QUALITATIVE FACTORS

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Business Overview” beginning on page 137 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic & Diluted Earnings per share (EPS), as restated:

Basic earnings per share (₹) =
$$\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

Diluted earnings per share (₹) =
$$\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

S. No	Period	Basic & Diluted (₹)	Weights
1.	Financial Year ended March 31, 2024 (Post Bonus)	5.52	3
2.	Financial Year ended March 31, 2023 (Post Bonus)	3.13	2
3.	Financial Year ended March 31, 2022 (Post Bonus)	7.35	1
	Weighted Average	5.03	6

Notes:

- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.
- Basic and diluted EPS are based on the Restated Standalone Financial Information.
- The face value of each Equity Share is ₹10.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity share held on 23-06-2023.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 01-05-2024 in the ratio of 10:1 i.e. 10 Bonus equity shares for every 1 equity share held on 26-04-2024.

2. Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share:

Price to Earnings Ratio(P/E) =
$$\frac{\text{Issue Price}}{\text{Restated Standalone /Consolidated Earnings Per Share}}$$

Particulars	EPS (in ₹)	P/E at the Issue Price
Based on EPS of Financial Year ended March 31, 2024	5.52	[●]
Based on Weighted Average EPS	5.03	[●]

Notes:

- Number of shares are adjusted by Increase in Capital through issue of 6,25,563 Bonus Equity Shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on 23-06-2023.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 01-05-2024 in the ratio of 10:1 i.e. 10 Bonus equity shares for every 1 equity share held on 26-04-2024.

Industry PE

Particulars	P/E*
Highest	78.67
Lowest	14.04
Average	42.16

* Based on Peer Comparison in Point No. 5 below

3. Return on Net worth (RoNW)

Return on Net Worth (%) = $\frac{\text{Restated Standalone Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} \times 100$

S. No	Period	RONW (%)	Weights
1.	Financial Year ended March 31, 2024	18.18%	3
2.	Financial Year ended March 31, 2023	12.58%	2
3.	Financial Year ended March 31, 2022	33.81%	1
	Weighted Average	18.92%	6

Notes:

- Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;
- The figures disclosed above are based on the Restated Standalone Financial Statements of our Company.
- Net-worth, as restated at the end of the relevant financial year (Equity attributable to the owners of the company).

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

Restated Net Asset Value per equity share (₹) = $\frac{\text{Restated Standalone Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$

Sr. No.	As at	NAV
1.	Financial Year ended March 31, 2024	30.37
2.	Financial Year ended March 31, 2023	24.85
4.	Financial Year ended March 31, 2022	21.73
4.	After completion of the Issue	[●]
	Issue Price per equity share	[●]

Notes:

- Number of shares are adjusted by Increase in Capital through issue of 6,25,563 Bonus Equity Shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on 23-06-2023.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 01-05-2024 in the ratio of 10:1 i.e. 10 Bonus equity shares for every 1 equity share held on 26-04-2024.

5. Comparison of Accounting Ratios with Industry Peers

Name of the company	Standalone / Consolidated	Face Value (₹)	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
S D Retail Limited	Standalone	10.00	5.52	[●]	18.18	30.37	16,255.89
Go Fashions (India) Limited	Standalone	10.00	15.32	78.67	13.82	111.81	76,282.80
Bella Casa Fashion & Retail Limited	Standalone	10.00	8.89	33.77	12.02	73.96	23,009.88
S.P. Apparels Limited	Standalone	10.00	41.35	14.04	14.30%	31.04	94,832.00

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis sourced from the Annual Reports/Information of the peer company uploaded on the NSE and BSE website for the year ended March 31, 2024.

Notes:

- P/E Ratio has been computed based on the closing market price of equity shares on the NSE and BSE on March 31, 2024 divided by the Basic EPS.

2. RoNW is computed as net profit after tax (after considering Comprehensive Income) divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.
4. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.
5. The face value of our shares is ₹10.00 per share and the Issue Price is of [●] per share which is [●] times of the face value.
6. The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

6. Key performance indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated September 07, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by M/S. V C A N & Company, Chartered Accountants, by their certificate dated September 07, 2024 having UDIN 24175015BKCIVY9050

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

Key Performance Indicators of our Company.

Particulars	For the Period ended on		
	31-Mar-24	31-Mar-23	31-Mar-22
Revenue from Operations (₹ in Lakhs)	16,255.89	13,508.81	12,852.93
Growth in Revenue from Operations (%)	20.11%	5.10%	33.57%
Gross Profit	8,673.84	6,841.42	7,130.16
Gross Profit Margin (%)	53.36%	50.64%	55.47%
EBITDA (₹ in Lakhs)	1,334.80	760.85	1,363.21
EBITDA Margin (%)	8.21%	5.63%	10.61%
Profit After Tax (₹ in Lakhs)	759.76	430.17	1,011.06
PAT Margin (%)	4.67%	3.18%	7.87%
RoE (%)	6.29%	13.42%	40.69%
RoCE (%)	15.61%	14.41%	27.94%
Net Fixed Asset Turnover (In Times)	31.02	46.30	46.42
Net Working Capital Days	209.40	136.51	126.49
Operating Cash Flows (₹ in Lakhs)	(1219.11)	112.24	(251.52)

Notes:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Standalone Financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed and Changes in inventories of Finished Goods and work-in-progress excluding of Manufacturing expenses.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- 5) EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses reduced by other Income.
- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit after Tax Means Profit for the period/year as appearing in the Restated Standalone Financial Statements.
- 8) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.

- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth (i.e. subtracting share capital and reserves & surplus by Intangible Assets), deferred tax liability, Long-Term Borrowing and Short-Term Borrowing.
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Written Down value of Fixed Assets which consists of property, plant and equipment, capital work-in-progress and Intangible Assets.
- 12) Net Working Capital Days is calculated as working capital (current assets minus current liabilities excluding short term borrowings) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year.
- 13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Standalone Financial Statements.

Operational KPI's of the Company:

Key Financial Performance	March 31, 2024	March 31, 2023	March 31, 2022
Revenue split between domestic and exports			
Domestic Market (in Lakhs)	16,112.78	13222.85	12,713.96
Export Market (in Lakhs)	143.11	285.97	138.97
Domestic Market (%)	99.12%	97.88%	98.92%
Export Market (%)	0.88%	2.12%	1.08%

Explanation for KPI metrics

Key Financial Performance	Explanations
Financial KPIs	
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Debt	Net debt is calculated as total debt minus cash and cash equivalents. Total debt is computed as non-current borrowings plus current borrowings.
Debt equity ratio	Debt equity ratio is calculated as Total debt/total equity
Net Debt to EBITDA	Net Debt to EBITDA is calculated as calculated as Net Debt divided by EBITDA.
RoE (%)	RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
RoCE (%)	RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing, ShortTerm Borrowing and Deferred Tax Liability/(Deferred Tax Asset).
Net Fixed Asset Turnover (In Times)	Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Fixed Assets which consists of property, plant and equipment, capital work-in-progress and intangible assets, if any.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows means net cash generated from operating activities as mentioned in the Restated Consolidated Financial Statements.
Working capital days	Working capital days is calculated as working capital multiplies with respective days divided by total revenue. Working capital refers to current assets minus current liability.
Working Capital Turnover Ratio	Working capital turnover ratio is calculated as revenue from operation plus other operating revenue divided by working capital. Working capital refers to current assets minus current liabilities.
Operational KPIs	
Export Revenue (Amount in ₹) and Export % of Revenue	This metric enables us to track the progress of our revenues in the export markets
Domestic Revenue (Amount in ₹) and Domestic % of Revenue	This metric enables us to track the progress of our revenues in the domestic markets

COMPARISON OF FINANCIAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:

Particulars	S D Retails Limited			Go Fashions (India) Limited		
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operation	16,255.89	13,508.81	12,852.93	76,282.80	66,527.95	40,131.25
EBITDA	1,334.80	760.85	1,363.21	24,243.61	21,228.59	11,901.54
EBITDA Margin	8.21%	5.63%	10.61%	31.78%	31.91%	29.66%
PAT	759.76	430.17	1,011.06	8,344.74	8,187.73	3,577.70
PAT Margin	4.67%	3.18%	7.87%	10.94%	12.31%	8.91%

Particulars	Bella Casa Fashion			S.P Apparels		
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operation	23,009.88	20,176.32	20,581.23	94,832.00	93,952.20	73,508.70
EBITDA	1,899.64	2,124.18	1,125.02	17,590.30	6,555.21	7,135.32
EBITDA Margin	8.26%	10.32%	8.73%	18.55%	6.98%	9.71%
PAT	1,020.55	1,123.89	552.21	11,146.00	852.11	837.52
PAT Margin	4.44%	5.46%	4.29%	11.75%	0.91%	1.14%

Notes: (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected

(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.

(3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

(4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

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 during the 18 months preceding the date of this Red Herring Prospectus (Except Bonus Issue of Shares), where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.
- b. **The price per share of our Company based on the secondary sale / acquisition of shares (equity shares):** The is no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, 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 is not applicable.
- c. Since there are no transactions to report to under (a) and (b) therefore, information based on last 5 secondary transactions (primary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is as follows:

Primary Transaction:

Date of Issue	Nature of Allotment	Names of Person	Number of Shares Allotted	Issue Price
July 08, 2023	Bonus Issue of Shares	Hitesh Pravinchandra Ruparelia	2,15,960	0.00
		Utpalbhai Pravinchandra Ruparelia	1,43,980	
		Pravinchandra Ruparelia	10	
		Meenaben P Ruparelia	10	
		Hina Hitesh Ruparelia	10	

SWEET DREAMS

		Kashmiraben Utpal Ruparelia	10	
		Utpalbhai Pravinchandra Ruparelia HUF	10	
		Hitesh Pravinchandra Ruparelia HUF	10	
		Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	65,000	
		Grace Garments LLP (Formerly known as Grace Garments Ltd.)	97,142	
		SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	8,571	
		Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	25,350	
		Chanakya Corporate Services Pvt. Ltd.	34,750	
		Chanakya Value Creation LLP	34,750	
May 01, 2024	Bonus Issue of Shares	Hitesh Pravinchandra Ruparelia	43,19,200	0.00
		Utpalbhai Pravinchandra Ruparelia	28,79,600	
		Pravinchandra Ruparelia	200	
		Meenaben P Ruparelia	200	
		Hina Hitesh Ruparelia	200	
		Kashmiraben Utpal Ruparelia	200	
		Utpalbhai Pravinchandra Ruparelia HUF	200	
		Hitesh Pravinchandra Ruparelia HUF	200	
		Sweet Dreams Loungewear (India) LLP (Formerly known as Sweet Dreams Loungewear (India) Pvt. Ltd.)	13,00,000	
		Grace Garments LLP (Formerly known as Grace Garments Ltd.)	19,42,840	
		SD Fashions LLP (Formerly known SD Fashions Pvt. Ltd.)	1,71,420	
		Shaligram Apparels LLP (Formerly known as Shaligram Apparels Pvt Ltd.)	5,07,000	
		Chanakya Corporate Services Pvt. Ltd.	6,95,000	
		Chanakya Value Creation LLP	6,95,000	

Secondary Transactions:

Date of Transfer	Name of Transferor	Names of Transferee	Number of Shares transferred	Transfer Price
May 11, 2024	Grace Garments LLP (Formerly known as Grace Garments Ltd.)	Mr. Ritesh Surendra Saraogi	10,000	65.00

Weighted average cost of acquisition on issue price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ ● /-)	Cap price (i.e. ₹ ● /-)
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	--	--	--
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	--	--	--
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above:			
- Primary Transaction	0.00	●	●
- Secondary Transaction	65.00	●	●

Investors should read the above-mentioned information along with section titled “Business Overview”, “Risk Factors” and

“Financial Information of our Company” beginning on page 137, 27 and 194 respectively including important profitability and return ratios, as set out in chapter titled “Other Financial Information” on page 195 of this Red Herring Prospectus to have a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
S D Retail Limited

Dear Sir,

Subject - Statement of possible tax benefits (“the statement”) available to S D Retail Limited (“the company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.

REFERENCE - Proposed Initial Public Offering Of Equity Shares Of ₹ 10 Each (The “Equity Shares”) Of S D Retail Limited (Formerly Known As S D Retail Private Limited) (The “Company” And Such Offering, The “Issue”)

We, M/S. V C A N & Co., Chartered Accountants, the Peer Review Auditors of the company, confirm that the enclosed Annexure 1 and 2 (together “the Annexures”), prepared by S D Retail Limited (‘the Company’), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (‘the Act’) as amended by the Finance Act 2024, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2024, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26, presently in force in India (together, the” Tax Laws”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
2. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its shareholders will continue to obtain these benefits in future;
 - ii) the conditions prescribed for availing the benefits have been / would be met with; and
 - iii) the revenue authorities/courts will concur with the views expressed herein.
3. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus/Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

We make no representations regarding questions of legal interpretation or regarding sufficiency for your purposes of the procedures enumerated in the certificate; also, such procedures would not necessarily reveal any material misstatement of the amounts or percentages listed above. Further, we have addressed ourselves solely to the foregoing data as set forth in the DRHP / RHP and make no representations regarding the adequacy of disclosure or regarding whether any material facts have been omitted. We make no comment about the company's definitions, calculations or usefulness for any purpose and we have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate

FOR V C A N & Co.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 125172W

CA SAURABH JAIN
PARTNER
MEMBERSHIP NO. 175015
UDIN: 24175015BKCITF7350

PLACE: AHMEDABAD
DATE: 21/06/2024

ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

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

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

- A. SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the Act.
- B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the Act

Note:

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

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Prospectus/Prospectus.

ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS

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

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

- A. SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the GST Act.
- B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the GST Act

Note:

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

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus.

SECTION VIII – ABOUT THE COMPANY**INDUSTRY OVERVIEW**

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. 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, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

This section uses industry and market data used in this section include report titled “India Sleepwear Market Overview, 2029” commissioned from Bonafide Research and Marketing Pvt. Ltd (“India Sleepwear Market Overview, 2029”). If another source is used then the title is explicitly stated. 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. For the disclaimers associated with the Industry reports, see “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation– Industry and Market Data” on page 16. Also, see “Risk Factors - The industry information included in this Red Herring Prospectus on page 27. All references to years in this section are to either calendar years or fiscal years and the same has been specified adequately in this section.

GLOBAL OUTLOOK

Economic activity was surprisingly resilient through the global disinflation of 2022–23. As global inflation descended from its mid-2022 peak, economic activity grew steadily, defying warnings of stagflation and global recession. Growth in employment and incomes held steady, reflecting supportive demand developments— including greater-than-expected government spending and household consumption—and a supply-side expansion amid, notably, an unanticipated boost to labor force participation. The unexpected economic resilience, despite significant central bank interest rate hikes aimed at restoring price stability, also reflects the ability of households in major advanced economies to draw on substantial savings accumulated during the pandemic. In addition, as Chapter 2 explains, changes in mortgage and housing markets over the prepandemic decade of low interest rates moderated the near-term impact of policy rate hikes. As inflation converges toward target levels and central banks pivot toward policy easing in many economies, a tightening of fiscal policies aimed at curbing high government debt, with higher taxes and lower government spending, is expected to weigh on growth.

Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The forecast for 2024 is revised up by 0.1 percentage point from the January 2024 World Economic Outlook (WEO) Update, and by 0.3 percentage point from the October 2023 WEO. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia’s invasion of Ukraine; weak growth in productivity; and increasing geoeconomic fragmentation. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. The latest forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades.

Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labor markets are still tight, raise interest rate expectations and reduce asset prices. A divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure. High interest rates could have greater cooling effects than envisaged as fixed-rate mortgages reset and households contend with high debt, causing financial stress. In China, without a comprehensive response to the troubled property sector, growth could falter, hurting trading partners. Amid high government debt in many economies, a disruptive turn to tax hikes and spending cuts could weaken activity, erode confidence, and sap support for reform and spending to reduce risks from climate change. Geoeconomic fragmentation could intensify, with higher barriers to the flow of goods, capital, and people implying a supply-side slowdown. On the upside, looser fiscal policy than necessary and assumed in projections could raise economic activity in the short term, although risking more costly policy adjustment later on. Inflation could fall faster than expected amid further gains in labor force participation, allowing central banks to bring easing plans forward. Artificial intelligence and stronger structural reforms than anticipated could spur productivity.

Global Economy Remains Resilient despite Uneven Growth; Challenges Lie Ahead

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered

a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of-living crisis—did not trigger uncontrolled wage-price spirals (see October 2022 World Economic Outlook). Instead, almost as quickly as global inflation went up, it has been coming down.

Despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of-living crisis—did not trigger uncontrolled wage-price spirals (see October 2022 World Economic Outlook). Instead, almost as quickly as global inflation went up, it has been coming down.

Even more encouraging, we now estimate that there will be less economic scarring from the pandemic—the projected drop in output relative to prepandemic projections—for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its prepandemic trend.

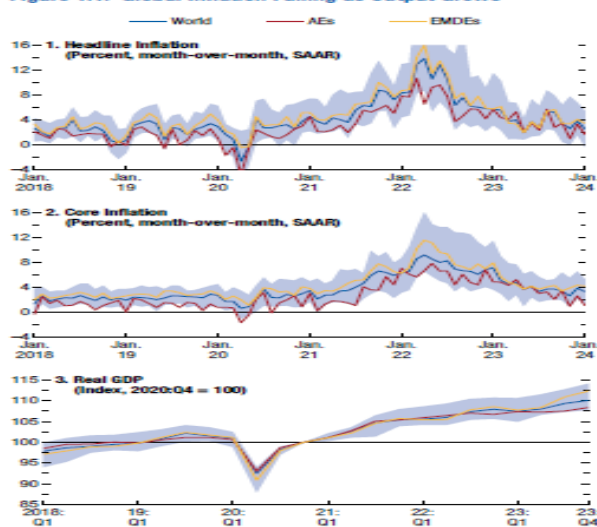
Disinflation amid Economic Resilience

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation.

In late 2023, headline inflation neared its prepandemic level in most economies for the first time since the start of the global inflation surge (Figure 1.1). In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

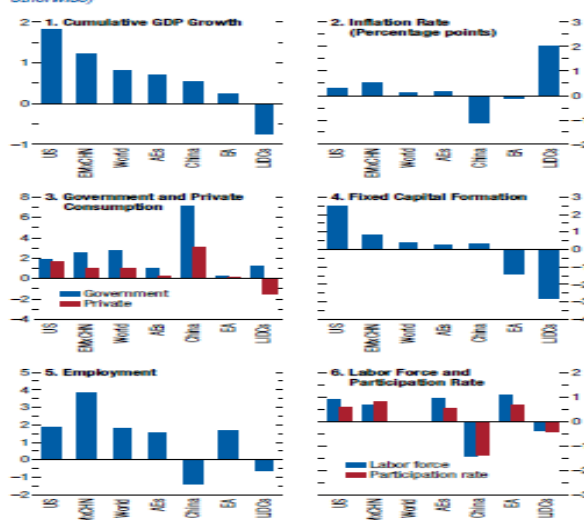
As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. That is 0.8 percentage point higher than the forecasts made at the time of the October 2022 World Economic Outlook (WEO) (Figure 1.2). The United States and several large emerging market and middle-income economies displayed the greatest over performance, with aggregate demand supported by stronger-than-expected private consumption amid still-tight—though easing—labor markets. Households in advanced economies supported their spending by drawing down accumulated pandemic-era savings.

Figure 1.1. Global Inflation Falling as Output Grows



Sources: Haver Analytics; and IMF staff calculations.
Note: Panels 1 and 2 plot the median of a sample of 57 economies that accounts for 78 percent of World Economic Outlook world GDP (in weighted purchasing-power-parity terms) in 2023. Vertical axes are cut off at –4 percent and 16 percent. Panel 3 plots the median of a sample of 44 economies. The bands depict the 25th to 75th percentiles of data across economies. “Core inflation” is the percent change in the consumer price index for goods and services, excluding food and energy (or the closest available measure). AEs = advanced economies; EMEs = emerging market and developing economies; SAAR = seasonally adjusted annual rate.

Figure 1.2. Performance in 2022–23 Compared with Projections at Time of Cost-of-Living Crisis
(Percent deviation from October 2022 WEO projection, unless noted otherwise)



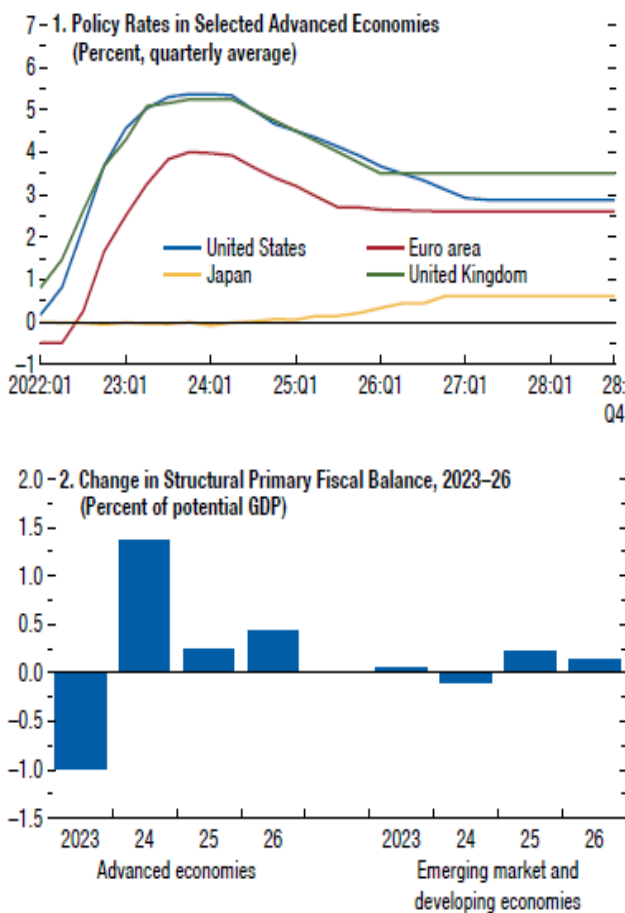
Source: IMF staff calculations.
Note: Figure reports latest estimates for cumulative growth in 2022 and 2023 in deviation from October 2022 WEO forecast in all panels except panel 2, which reports the difference between average inflation in 2022 and 2023 and the corresponding October 2022 WEO forecasts. Panel 6 does not include India due to missing data. AEs = advanced economies; EA = euro area; EMEs = emerging market and middle-income economies excluding China; LDCs = low-income developing countries; WEO = World Economic Outlook.

The Outlook: Steady Growth and Disinflation

The Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies (Tables 1.1 and 1.2), including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for emerging market and developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries.

The baseline forecasts for the global economy are predicated on a number of projections for global commodity prices, interest rates, and fiscal policies (Figure 1.13):

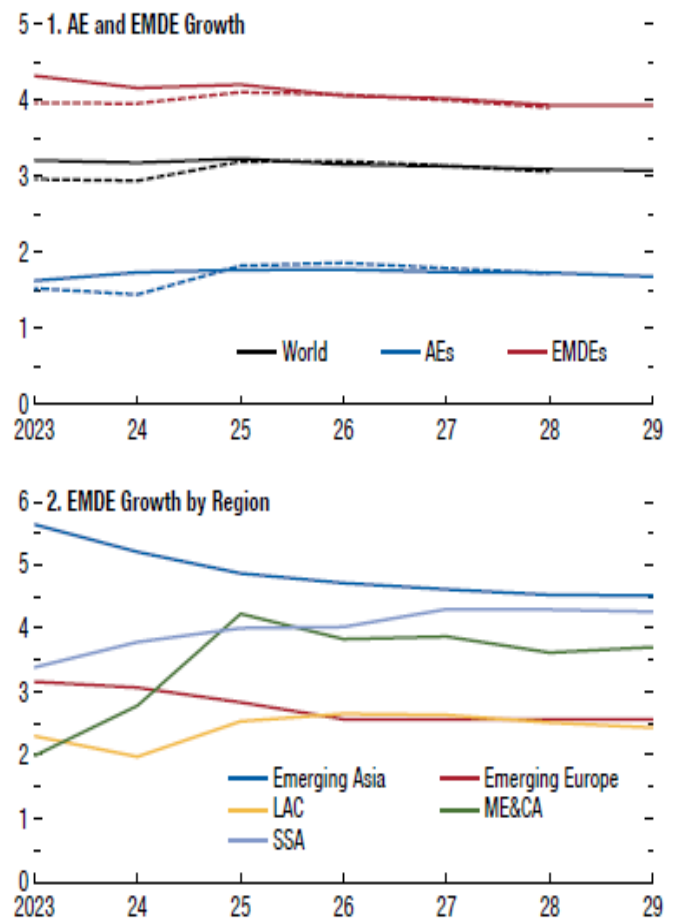
Figure 1.13. Monetary and Fiscal Policy Projections



Source: IMF staff calculations.

Note: In panel 2, the structural primary fiscal balance is the cyclically adjusted primary balance corrected for a broader range of noncyclical factors, such as changes in asset and commodity prices.

Figure 1.14. Growth Outlook: Broadly Stable
(Percent; solid = April 2024 WEO, dashes = October 2023 WEO)



Source: IMF staff calculations.

Note: AE = advanced economy; EMDE = emerging market and developing economy; LAC = Latin America and the Caribbean; ME&CA = Middle East and Central Asia; SSA = sub-Saharan Africa; WEO = World Economic Outlook.

Growth Outlook: Stable but Slow**Table 1.1. Overview of the World Economic Outlook Projections**
(Percent change, unless noted otherwise)

	2023	Projections		Difference from January 2024 WEO Update ²		Difference from October 2023 WEO ¹	
		2024	2025	2024	2025	2024	2025
World Output	3.2	3.2	3.2	0.1	0.0	0.3	0.0
Advanced Economies	1.6	1.7	1.8	0.2	0.0	0.3	0.0
United States	2.5	2.7	1.9	0.6	0.2	1.2	0.1
Euro Area	0.4	0.8	1.5	-0.1	-0.2	-0.4	-0.3
Germany	-0.3	0.2	1.3	-0.3	-0.3	-0.7	-0.7
France	0.9	0.7	1.4	-0.3	-0.3	-0.6	-0.4
Italy	0.9	0.7	0.7	0.0	-0.4	0.0	-0.3
Spain	2.5	1.9	2.1	0.4	0.0	0.2	0.0
Japan	1.9	0.9	1.0	0.0	0.2	-0.1	0.4
United Kingdom	0.1	0.5	1.5	-0.1	-0.1	-0.1	-0.5
Canada	1.1	1.2	2.3	-0.2	0.0	-0.4	-0.1
Other Advanced Economies ²	1.8	2.0	2.4	-0.1	-0.1	-0.2	0.1
Emerging Market and Developing Economies	4.3	4.2	4.2	0.1	0.0	0.2	0.1
Emerging and Developing Asia	5.6	5.2	4.9	0.0	0.1	0.4	0.0
China	5.2	4.6	4.1	0.0	0.0	0.4	0.0
India ³	7.8	6.8	6.5	0.3	0.0	0.5	0.2
Emerging and Developing Europe	3.2	3.1	2.8	0.3	0.3	0.9	0.3
Russia	3.6	3.2	1.8	0.6	0.7	2.1	0.8
Latin America and the Caribbean	2.3	2.0	2.5	0.1	0.0	-0.3	0.1
Brazil	2.9	2.2	2.1	0.5	0.2	0.7	0.2
Mexico	3.2	2.4	1.4	-0.3	-0.1	0.3	-0.1
Middle East and Central Asia	2.0	2.8	4.2	-0.1	0.0	-0.6	0.3
Saudi Arabia	-0.8	2.6	6.0	-0.1	0.5	-1.4	1.8
Sub-Saharan Africa	3.4	3.8	4.0	0.0	-0.1	-0.2	-0.1
Nigeria	2.9	3.3	3.0	0.3	-0.1	0.2	-0.1
South Africa	0.6	0.9	1.2	-0.1	-0.1	-0.9	-0.4
Memorandum							
World Growth Based on Market Exchange Rates	2.7	2.7	2.7	0.1	0.0	0.3	0.0
European Union	0.6	1.1	1.8	-0.1	-0.1	-0.4	-0.3
ASEAN-5 ⁴	4.1	4.5	4.6	-0.2	0.2	0.0	0.1
Middle East and North Africa	1.9	2.7	4.2	-0.2	0.0	-0.7	0.3
Emerging Market and Middle-Income Economies ⁵	4.4	4.1	4.1	0.0	0.0	0.2	0.1
Low-Income Developing Countries ⁵	4.0	4.7	5.2	-0.2	-0.1	-0.3	-0.1
World Trade Volume (goods and services)	0.3	3.0	3.3	-0.3	-0.3	-0.6	-0.4
Imports							
Advanced Economies	-1.0	2.0	2.8	-0.7	-0.4	-1.0	-0.4
Emerging Market and Developing Economies	2.0	4.9	4.1	0.0	-0.3	0.5	-0.6
Exports							
Advanced Economies	0.9	2.5	2.9	-0.1	-0.3	-0.6	-0.4
Emerging Market and Developing Economies	-0.1	3.7	3.9	-0.4	-0.4	-0.5	-0.3
Commodity Prices (US dollars)							
Oil ⁶	-16.4	-2.5	-6.3	-0.2	-1.5	-1.8	-1.4
Nonfuel (average based on world commodity import weights)	-5.7	0.1	-0.4	1.0	0.0	2.8	-0.3
World Consumer Prices⁷	6.8	5.9	4.5	0.1	0.1	0.1	-0.1
Advanced Economies ⁸	4.6	2.6	2.0	0.0	0.0	-0.4	-0.2
Emerging Market and Developing Economies ⁷	8.3	8.3	6.2	0.2	0.2	0.5	0.0

Source: IMF staff estimates.

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during January 30, 2024–February 27, 2024. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

¹ Difference based on rounded figures for the current, January 2024 WEO Update, and October 2023 WEO forecasts.² Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.³ For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.⁴ Indonesia, Malaysia, the Philippines, Singapore, and Thailand.⁵ Vietnam is removed from the Low-Income Developing Countries group and added to the Emerging Market and Middle-Income Economies group. The reported differences from January 2024 and October 2023 are for Low-Income Developing Countries excluding Vietnam and Emerging Market and Middle-Income Economies including Vietnam.

Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025 (Table 1.1). The projection for 2024 is revised up by 0.1 percentage point from the January 2024 WEO Update, and by 0.3 percentage point with respect to the October 2023 WEO forecast (Figure 1.14). Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth rise slightly, with the increase mainly reflecting a recovery in the euro area from low growth in 2023, whereas emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

For advanced economies, growth is projected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025. The forecast is revised upward by 0.2 percentage point for 2024 compared with the January 2024 WEO Update projections and remains the same for 2025. The 2024 upgrade reflects a revision to US growth, while an upward revision to the US broadly offsets a similar downward revision to the euro area in 2025.

Table 1.1. Overview of the World Economic Outlook Projections (continued)
(Percent change, unless noted otherwise)

	2023	Q4 over Q4 ⁹					
		Projections		Difference from January 2024 WEO Update ¹		Difference from October 2023 WEO ¹	
		2024	2025	2024	2025	2024	2025
World Output	3.2	3.2	3.1	0.1	0.0	0.0	...
Advanced Economies	1.6	1.9	1.7	0.3	0.0	0.4	...
United States	3.1	2.1	1.8	0.6	-0.1	0.7	...
Euro Area	0.1	1.4	1.4	-0.1	-0.2	0.0	...
Germany	-0.2	0.7	1.8	-0.4	-0.1	-1.0	...
France	0.7	1.1	1.5	-0.3	-0.3	-0.4	...
Italy	0.6	0.7	0.6	-0.6	-0.4	-0.5	...
Spain	2.0	1.9	2.1	0.1	0.0	-0.1	...
Japan	1.3	1.7	0.5	0.1	0.0	0.7	...
United Kingdom	-0.2	1.5	1.3	0.9	-0.5	0.7	...
Canada	0.9	1.8	2.3	-0.1	0.1	-0.3	...
Other Advanced Economies ²	1.7	2.2	2.5	-0.4	0.5	0.0	...
Emerging Market and Developing Economies	4.5	4.3	4.1	0.0	0.0	-0.4	...
Emerging and Developing Asia	5.7	5.1	4.6	-0.4	-0.1	-0.4	...
China	5.4	4.4	4.1	0.0	0.1	-0.3	...
India ³	6.8	6.4	6.4	-1.4	-0.3	-1.3	...
Emerging and Developing Europe	4.1	3.2	2.8	1.2	-0.1	0.7	...
Russia	4.8	2.6	1.2	1.2	0.2	1.4	...
Latin America and the Caribbean	1.5	2.1	2.6	0.4	0.0	-1.1	...
Brazil	2.2	3.0	1.5	0.4	0.1	0.2	...
Mexico	2.5	1.9	1.8	0.0	0.4	0.0	...
Middle East and Central Asia	...	...	...	...	...	...	...
Saudi Arabia	-4.3	3.1	5.9	0.3	0.5	-0.9	...
Sub-Saharan Africa	...	...	...	...	...	...	...
Nigeria	2.9	3.5	2.5	0.2	-0.4	-0.1	...
South Africa	0.9	1.3	1.2	0.1	-0.1	-0.7	...
Memorandum							
World Growth Based on Market Exchange Rates	2.7	2.7	2.6	0.2	0.0	0.1	...
European Union	0.4	1.7	1.7	0.3	-0.6	0.1	...
ASEAN-5 ⁴	4.2	5.2	3.1	0.0	-0.4	0.6	...
Middle East and North Africa	...	...	...	...	...	...	...
Emerging Market and Middle-Income Economies ⁵	4.5	4.3	4.1	0.0	-0.1	-0.4	...
Low-Income Developing Countries ⁵	...	...	...	...	...	...	...
Commodity Prices (US dollars)							
Oil ⁶	-4.4	-6.0	-5.5	0.1	-0.6	-0.3	...
Nonfuel (average based on world commodity import weights)	-0.2	0.8	0.4	-0.7	0.2	0.1	...
World Consumer Prices⁷	5.8	5.4	3.6	0.1	-0.2	0.6	...
Advanced Economies ⁸	3.1	2.4	2.0	0.1	0.0	-0.2	...
Emerging Market and Developing Economies ⁷	8.0	8.0	5.0	0.3	-0.2	1.4	...

⁶ Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average price of oil in US dollars a barrel was \$80.59 in 2023; the assumed price, based on futures markets, is \$78.61 in 2024 and \$73.68 in 2025.

⁷ Excludes Venezuela. See the country-specific note for Venezuela in the "Country Notes" section of the Statistical Appendix.

⁸ The assumed inflation rates for 2024 and 2025, respectively, are as follows: 2.4 percent and 2.1 percent for the euro area, 2.2 percent and 2.1 percent for Japan, and 2.9 percent and 2.0 percent for the United States.

⁹ For world output, the quarterly estimates and projections account for approximately 90 percent of annual world output at purchasing-power-parity weights. For emerging market and developing economies, the quarterly estimates and projections account for approximately 85 percent of annual emerging market and developing economies' output at purchasing-power-parity weights.

(Source- <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>)

INDIAN ECONOMY OVERVIEW

Introduction

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

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

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

faith in the "Invest in India" narrative.

Market size

- Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion).
- The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23.,
- India is the third-largest unicorn base in the world with more than 113 unicorns valued at US\$ 350 billion, as per the Economic Survey.
- The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.
- India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.

- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

Government Initiatives

Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of US\$ 182.35 million (Rs. 1,500 crore).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from 1st January 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on 29th December 2022 by the Ministry of Railways.
- On 7th October 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah, laid the foundation stone and performed Bhoomi Pujan of Shri Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by the Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for the IT companies and start-ups in both the countries.

- India and Namibia entered into a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed artificial intelligence (AI) products and technologies during the first-ever “AI in Defence” (AIDef) symposium and exhibition, organised by the Ministry of Defence in New Delhi on July 11, 2022.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of biocapsule, an encapsulation technology for bio-fertilization on 30 June, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan the National Highway Network will develop 25,000 km of new highways network which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- On February 2022, Ms. Nirmala Sitharaman Minister for Finance & Corporate Affairs said that productivity linked incentive (PLI) schemes to be extended to 14 sectors for achieving the mission of AtmaNirbhar Bharat and create 60 lakh (6 million) and an additional production of Rs. 30 lakh crore (US\$ 401.49 billion) in the next 5 years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022 Finance Minister Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G will be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which is expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement to spectrum sharing.
- In the Union Budget of 2022-23 the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that Reserve Bank of India (RBI) will issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of “One Station, One Product” was also introduced.
- To boost competitiveness Budget 2022 has announced to reform the 16-year-old Special Economic Zone (SEZ) act to enhance competitiveness this will be done to make it compatible with the World Trade Organisation (WTO).
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- To boost the overall audit quality, transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives and large non-banks and housing finance firms.
- In May 2021, the Government of India has allocated Rs. 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.

- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally and increasing digital literacy.
- On January 29 2022 the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian Economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23, it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next 3 years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor, Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures including Rs. 15,000 crore (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India to increase foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for second tranche of EUR 150 million (US\$ 182.30 million) for Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the Rs. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet has approved the signing of memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

Road Ahead

In the second quarter of FY 24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$

120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

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

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

Overview of Sleepwear Category in India

India Sleepwear Market Size

The India sleepwear market is anticipated to reach market size of USD 1303.88 Million by 2029, with progressive CAGR of 15.12% by 2024-29. The sleepwear industry in India has witnessed significant growth over the past decade. Traditionally, sleepwear in India consisted of simple and utilitarian garments, but evolving fashion trends, increasing disposable income, and a growing awareness of comfort and lifestyle have transformed this sector into a dynamic and profitable market.

India's sleepwear market is characterized by a diverse range of products catering to different demographics and preferences. From traditional nightgowns and kurtas to modern pajamas, loungewear, and night suits, the industry offers a variety of options for men, women, and children. The market is driven by both domestic brands and international players, with increasing online retailing playing a crucial role in expanding reach and accessibility.

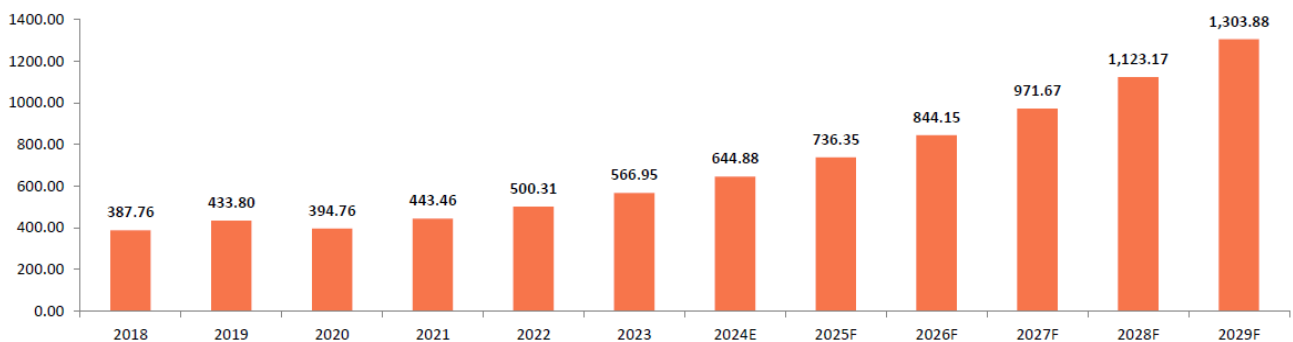


Figure 1: India Sleepwear Market Size By Value (2018 to 2029F) (in USD Million)

Source: Bonafide Research

The proliferation of online shopping platforms has significantly impacted the sleepwear industry. E-commerce giants like Amazon, Flipkart, and Myntra, along with niche sleepwear brands, have made it convenient for consumers to explore and purchase a wide range of sleepwear products. The digital marketplace offers extensive choices, competitive pricing, and home delivery, contributing to the industry's growth.

Several Indian brands have emerged as key players in the sleepwear segment. Brands like Clovia, Zivame, and Nykd by Nykaa have carved a niche for themselves by offering diverse and quality sleepwear collections. These brands focus on understanding the preferences of Indian consumers and delivering products that cater to local tastes and climatic conditions.

With increasing awareness about environmental issues and sustainable fashion, there is a growing demand for eco-friendly sleepwear. Brands are now incorporating sustainable practices in their production processes, using organic fabrics, and promoting ethical labor practices. This trend is likely to gain momentum as consumers become more conscious of their purchasing choices. Some sleepwear brands in India, like Catnap Sleepwear, focus on sustainability by using eco-friendly materials and ensuring that their products do not end up in landfills.

The sleepwear market in India is highly competitive, with both organized and unorganized players vying for market share. Brands like Sleep-ins and Mystere Paris have successfully capitalized on this demand, expanding their market share and retail presence across the country. India's sleepwear industry has the potential to expand its export market, particularly to countries in the EU and the Gulf. Brands like Sleep-ins are already receiving export enquiries and are planning to enhance their production capacity to

meet this demand. Sleepwear brands in India are expanding their presence across the country, with Sleep-ins having a significant presence in major cities like Mumbai, Delhi, and Hyderabad.

Young adults and teenagers form a significant segment of the sleepwear market. Brands are targeting this demographic with trendy, youthful designs and collaborations with popular influencers and fashion icons. Also, some Indian sleepwear brands are integrating technology into their products. This includes features like moisture-wicking fabrics, temperature regulation, and even sleep-tracking sensors to enhance the quality of sleep.

India Sleepwear Market Segmentations - India Sleepwear Market Size, By Sleepwear Set, 2018-2029

The sleepwear set segment in India represents a dynamic and evolving market characterized by a wide range of options tailored to suit diverse consumer preferences and lifestyles. Traditional pajama sets, comprising of matching tops and bottoms typically made from breathable fabrics like cotton or linen, continue to be a popular choice among consumers seeking comfort and functionality. These sets are perfect for bedtime routines, providing a cozy and relaxed fit that promotes a restful night's sleep. On the other hand, there's a growing trend towards contemporary loungewear sets that blur the lines between sleepwear and casual wear. These sets often feature stylish designs, trendy silhouettes, and luxurious materials such as silk or modal, making them suitable for both nighttime relaxation and daytime activities. In addition to traditional and loungewear sets, themed sleepwear sets have also gained traction in the Indian market.

Table 4: India Sleepwear Market Size of Sleepwear Set (2018 to 2029) in USD Million

Year	2018	2019	2020	2021	2022	2023	2024E	2025F	2026F	2027F	2028F	2029F
Market Size	174.29	195.89	179.07	202.06	228.98	260.61	298.87	344.01	397.47	461.05	536.95	627.95
CAGR	8.38%						16.01%					

Source: Bonafide Research

These sets are often inspired by popular culture, cartoons, or seasonal motifs, adding a playful and personalized touch to bedtime attire. Whether it's a whimsical cartoon character or a festive print celebrating a holiday, themed sleepwear sets allow consumers to express their individuality and personality through their sleepwear choices. The accessibility of online shopping has played a significant role in driving the growth of the sleepwear set segment in India. With the proliferation of e-commerce platforms, consumers have access to a wide variety of options from both domestic and international brands, making it easier than ever to find the perfect sleepwear set tailored to their unique needs and preferences. This increased accessibility, coupled with the convenience of online shopping, has fuelled the growth of the segment, making luxurious yet comfortable sleepwear options more accessible to a wider audience. Sleepwear sets are often included in bridal trousseaus in India. These sets are specially designed for the bride and can range from elaborate silk nightgowns to intricately embroidered pajama sets. Also, there is a growing market for maternity and nursing sleepwear sets in India. These sets are designed to provide comfort and convenience for pregnant women and new mothers, often featuring adjustable waistbands, easy access for breastfeeding, and soft fabrics.

India Sleepwear Market, By End User

India Sleepwear Market Size, By Women, 2018-2029

The segment of women's sleepwear in the Indian market is a vibrant and evolving sector that caters to the diverse needs and preferences of female consumers across the country. Over the years, there has been a noticeable shift in the demand for women's sleepwear in India, driven by changing fashion trends, lifestyle preferences, and an increased emphasis on comfort and style. From traditional nightgowns to modern pajama sets and loungewear ensembles, women's sleepwear options have expanded to offer a wide range of choices to suit various occasions and personal preferences. The main significant trend within this segment is the growing popularity of versatile sleepwear options that seamlessly transition from bedtime to lounging at home or even casual outings. Women in India today are seeking sleepwear sets and loungewear ensembles that not only provide utmost comfort but also reflect their personal style and fashion sensibilities. There has been an emergence of stylish and trendy designs in women's sleepwear, featuring chic silhouettes, fashionable prints, and luxurious fabrics like satin, silk, and modal. There has been an increasing demand for functional and practical sleepwear options among women in India. Many women prioritize comfort and functionality in their sleepwear choices, opting for breathable fabrics like cotton and modal that ensures a comfortable night's sleep.

Table 5: India Sleepwear Market Size of Women (2018 to 2029) in USD Million

Year	2018	2019	2020	2021	2022	2023	2024E	2025F	2026F	2027F	2028F	2029F
Market Size	280.80	312.89	283.59	317.31	356.55	402.42	454.99	516.41	588.46	673.29	773.60	892.68
CAGR	7.46%						14.43%					

Source: Bonafide Research

There is a growing awareness of the importance of sleep hygiene and its impact on overall health and well-being, leading women in India to seek sleepwear options that promote better sleep quality and relaxation. Another notable trend in the women's sleepwear segment in India is the rise of sustainable and eco-friendly options. With a growing emphasis on sustainability and ethical consumerism, many women in India are gravitating towards sleepwear brands that prioritize eco-friendly materials and ethical manufacturing practices. There has been an increase in the availability of organic cotton sleepwear, bamboo-based fabrics, and other sustainable alternatives in the market, catering to the eco-conscious consumer in India. The advent of e-commerce has also played a significant role in shaping the women's sleepwear market in India. Online retail platforms offer women a convenient and hassle-free shopping experience, allowing them to browse through a wide selection of sleepwear options from the comfort of their homes.

India Sleepwear Market Size, By Men, 2018-2029

The market for men's sleepwear in India presents an intriguing landscape marked by a nuanced interplay of comfort, style, and functionality tailored to suit the discerning preferences of male consumers across the nation. Over the past decade, there has been a notable evolution in men's sleepwear trends, characterized by a departure from conventional styles towards more contemporary and versatile options. Traditionally, men's sleepwear offerings were limited to simple pajama sets and nightshirts crafted from basic fabrics like cotton or flannel. With the advent of global fashion influences and the burgeoning demand for more stylish and comfortable sleepwear alternatives; the market has witnessed a remarkable diversification. A prominent trend within this End user is the burgeoning popularity of loungewear sets and separates among men in India. These sets typically feature a combination of comfortable yet fashionable tops and bottoms, often fashioned from soft and breathable fabrics such as cotton, modal, or jersey knit. Unlike traditional pajama sets, loungewear ensembles blur the boundaries between sleepwear and casual wear, allowing Indian men to seamlessly transition from bedtime to leisure time or even errands without compromising on comfort or style.

Table 6: India Sleepwear Market Size of Men (2018 to 2029) in USD Million

Year	2018	2019	2020	2021	2022	2023	2024E	2025F	2026F	2027F	2028F	2029F
Market Size	66.01	74.29	68.01	76.86	87.23	99.44	113.95	131.10	151.41	175.60	204.49	239.18
CAGR	8.54%						15.98%					

Source: Bonafide Research

This shift underscores a growing preference among consumers for sleepwear options that offer versatility and adaptability to modern lifestyles. In addition to loungewear sets, there is a rising demand for athleisure-inspired sleepwear among Indian men. Athleisure sleepwear merges the performance and functionality of athletic wear with the design and aesthetics of traditional sleepwear, resulting in garments that are both practical and fashionable. In case of material for sleepwear, polyester material is highly used for men compared to women and child. Over 25% of the material's share falls into men's category. These sleepwear options often incorporate performance oriented fabrics like moisture-wicking materials or stretchy blends, catering to men who prioritize comfort and mobility during sleep or lounging activities. The sustainability and eco-consciousness have emerged as significant considerations in the men's sleepwear market in India.

India Sleepwear Market Size, By Kids, 2018-2029

The India sleepwear market, with a specific focus on the segment catering to kids has emerged as a vibrant and rapidly expanding sector within the country's retail landscape. This growth trajectory can be attributed to a confluence of factors that collectively contribute to the evolving dynamics of consumer preferences, economic prosperity, and cultural shifts. The primary drivers behind the surge in demand for kids' sleepwear are the changing lifestyle patterns prevalent among Indian families. As urbanization accelerates and nuclear families become more common, parents are increasingly prioritizing the well-being and comfort of their children, even during sleep hours. This shift in mindset has led to a heightened awareness of the importance of high-quality sleepwear tailored specifically for kids, considering their delicate skin and developing bodies. The rising disposable income levels across various strata of Indian society have played a pivotal role in fueling the demand for premium sleepwear options for children. With more discretionary spending power at their disposal, parents are more inclined to invest in products that promise superior quality, durability, and comfort for their little ones. Consequently, manufacturers and retailers operating in the Indian sleepwear

market have seized this opportunity to diversify their product portfolios and introduce innovative designs, fabrics, and features tailored to meet the unique needs and preferences of young consumers

Table 7: India Sleepwear Market Size of Kids (2018 to 2029) in USD Million

Year	2018	2019	2020	2021	2022	2023	2024E	2025F	2026F	2027F	2028F	2029F
Market Size	40.95	46.62	43.16	49.30	56.53	65.09	75.93	88.84	104.28	122.79	145.08	172.03
CAGR	9.71%						17.77%					

Source: Bonafide Research

The influence of Western fashion trends and the globalization of consumer culture have significantly impacted the choices and expectations of Indian consumers, including those pertaining to children's sleepwear. The proliferation of digital media platforms and social networking sites has exposed Indian parents and children alike to a myriad of fashion influences from around the world, leading to a growing demand for trendy and stylish sleepwear options that resonate with contemporary sensibilities. This trend is particularly pronounced among urban consumers and those belonging to the millennial and Gen Z demographics, which prioritize self-expression and individuality in their fashion choices. The advent of e-commerce platforms has revolutionized the retail landscape in India, offering parents unprecedented convenience and accessibility to a wide array of sleepwear options for their children. The ease of browsing through online catalogs, comparing prices, reading reviews, and making purchases from the comfort of their homes has significantly contributed to the growth of the kids' sleepwear segment. This digital revolution has also enabled smaller, niche brands to reach a wider audience and compete with established players, thereby fostering innovation and driving overall market growth.

(Source - India Sleepwear Market Overview, 2029 issued by Bonafide Research & Marketing Pvt. Ltd.)

BUSINESS OVERVIEW

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “Company” or “we”, “us” or “our” means S D Retail Limited. All financial information included herein is based on our “Financial information of our company” included on page 194 of this Red Herring Prospectus.

OVERVIEW

Our company is in the business of designing, manufacturing, outsourcing, marketing, and retailing sleepwear under the brand name “SWEET DREAMS”. SWEET DREAMS is a sleepwear-focused company offering a wide portfolio of stylish and comfortable sleepwear for the entire family, celebrating the transition from work to home life and catering to every aspect of downtime.

The combination of comfort, style, and functionality places SWEET DREAMS in a unique position within a habit-forming apparel category, where our clothes are worn daily by our customers in similar time-ranges. This brand is targeted primarily at the modern Indian woman’s sleepwear requirements since she is most engaged with this category across various retail channels. In addition, we also sell sleepwear for men and kids, whose casual clothes are predominantly purchased by the women in the house. We offer one of the widest portfolios of sleepwear products among apparel retailers in India in terms of fabrics, colours, and styles. Our sleepwear products includes Pyjamas, Night Sets, Nighties, T-shirts, etc. We design our products to cater to men and women across all age groups including kids (from age 2 Year to 16 Year) and fits that are suitable to various body types and physiques. In addition, we are in adjacent categories such as loungewear, workout wear, athleisure, and work leisure pants.

Our Company was originally incorporated as “S D Retail Private Limited” vide registration no. 146313 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 14, 2004, issued by Registrar of Companies, Mumbai, Maharashtra. Further, the registered office of our Company was shifted from Mumbai, Maharashtra to Ahmedabad, Gujarat w.e.f. February 9, 2009. Subsequently our Company was converted into Public Limited Company and name of company was changed from “S D Retail Private Limited” to “S D Retail Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate Identity Number of our Company is U52520GJ2004PLC056076.

We have constructed well-established infrastructural facility and manufacturing unit that is equipped with all the necessary machines and tools that are required for a modern manufacturing unit. Machinery that is equipped in our infrastructure is operated by our highly experienced team of professionals. Backed by sound manufacturing facility, we are capable of undertaking bulk requirements of our clients and deliver within stipulated time schedule. Also, our majority of our manufacturing is outsourced to the Jobworkers (on contract manufacturing basis) who manufacture products as per the design and requirement of our Company. The Contract manufacturing enable us to cater bulk orders and deliver the products to our customers on time. We achieve varied price points through our two product lines: Essentials and Fashion. Our Essentials product line is characterized by limited print or design, is relatively insulated from changes in fashion trends, lower ASPs, high repeat purchases and is sold throughout the year. Our Fashion product line on the other hand is characterized by seasonal designs, low repeat purchases, higher ASPs and is sold seasonally (Autumn/Winter and Summer seasons).

We have a multi-channel distribution network. The table below gives a channel-wise breakup of revenue.

(₹ in Lakhs)

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	In %	Revenue	In %	Revenue	In %
EBOs	1,089.42	6.71%	498.00	3.69%	401.21	3.12%
LFSs	1734.40	10.68%	1286.94	9.54%	972.87	7.57%
MBOs/ Distributors	10,273.45	63.24%	9,820.46	72.80%	9,326.53	72.60%
Online Channels	2787.09	17.16%	1,274.86	9.45%	1,713.74	13.34%
Others	217.80	1.34%	370.75	2.75%	292.24	2.27%
Export	143.11	0.88%	238.34	1.77%	139.88	1.09%
TOTAL	16,245.27	100.00%	13,489.36	100.00%	12,846.46	100.00%

Notes:

(1) EBO includes kiosks and franchise stores

(2) MBOs and others include sales through multi-brand outlets and garment fairs, exhibitions, events, etc. and scrap sales.

(3) Others include sales to employees and sale of clearance stock to traders, etc.

We sold our products through distributors, exclusive brand outlets (EBOs), and multi-brand outlets (MBOs) located across various states and union territories in India. We also sell our products through e-commerce platforms such as Myntra, AJIO, Nykaa, Flipkart, Amazon, and our own website. We sell our products across India and internationally through multiple distribution channels.

We also have a vast distribution network setup with MBOs covering a large geography in India and helping us achieve scale. Our sales pipeline for General Trade differs for the Fashion and Essentials product lines. For the Fashion product line, we organize a bi-annual roadshow for our retail partners for the Summer and Autumn/Winter seasons presenting them with newest designs and booking orders at the venue. For the Essentials product line, we treat it as a replenishment product line with year-long production where our sales staff visits our retail partners periodically and books orders. Our salesforce is led by a National Sales Manager (NSM) with Regional Sales Managers (RSMs) and on ground staff. Our key SISs are manned by our own sales staff, which provides us an opportunity to have direct contact with the consumer.

In the past two years, we have undertaken the journey of building a network of existing 23 exclusive brand outlets (“EBOs”) as of March 31, 2024 and 33 EBO’s as on date. Our cluster-based approach to opening and operating EBOs allows us to pursue the COFO model which results in better ROI. We have learned that retailing through EBOs creates better brand recall. Our EBOs are located in airports, high streets, malls, residential market areas in major metros, and other large cities.

Sleepwear has unique characteristics that differentiate it from other apparel categories. Firstly, it is a habit-forming category where an individual’s bedtime begins with them changing into their sleepwear. As such, we like to think that we are part of our customers’ sleep rituals, i.e. activities that take place before sleeping. Secondly, we are a frequent wear and wash category where our customers laundry their sleepwear after every wear for hygiene reasons, which increases abrasion with the clothes and purchase cycles. Lastly, our pyjama sets benefit from occasion-wear habits like pyjama parties, airport outfits, and hotel stays due to an increasing trend in preference towards casual wear in younger generations. This trend not only positions us within the 70-hour/week wear-time sleepwear market but also allows us to tap into the 55-hour/week wear-time casual wear segment, potentially displacing the wear-share and wardrobe-share of the traditional casual wear with our versatile offerings. In essence, our approach is to create a product so appealing that it becomes a staple in everyday wardrobes, challenging the dominance of other casual wear categories and expanding the wear-time share and wardrobe-share of sleepwear in the fashion industry.

Our supply chain management covers several locations, including our warehouse in Ahmedabad. These facilities can handle a wide range of SKUs. By using ERP systems throughout our operations, we have been able to grow efficiently and keep track of our inventory in our warehouse. Modern equipment at these sites improves process efficiency, leading to cost savings. Good inventory management practices help us keep the right amount of stock across a variety of SKUs and our distribution network. Additionally, we use business intelligence reports from our system to watch market trends and customer preferences, which helps reduce write-offs.

Our Promoter and key managerial personnel have been instrumental in the growth of our business and actively advise us on corporate strategy and planning. We have a strong management team with significant industry experience. Our Managing Director, Mr. Hitesh Ruparelia and Whole Time Director, Mr. Utpal Ruparelia have 20 years of experience respectively in garment industry, thus vast experience of the Directors have been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoter and senior management team and their experience of over a decade in the industry in which our Company operates.

Our financial performance indicators for the last three Fiscals are as follows:

(Amount in Rs. Lakhs, except % and ratios)

Particulars	For the Period ended on		
	31-Mar-24	31-Mar-23	31-Mar-22
Revenue from Operations (₹ in Lakhs)	16,255.89	13,508.81	12,852.93
Growth in Revenue from Operations (%)	20.11%	5.10%	33.57%
Gross Profit	8673.84	6,841.42	7,130.16
Gross Profit Margin (%)	53.36%	50.64%	55.47%
EBITDA (₹ in Lakhs)	1,334.80	760.85	1,363.21
EBITDA Margin (%)	8.21%	5.63%	10.61%
Profit After Tax (₹ in Lakhs)	759.76	430.17	1,011.06
PAT Margin (%)	4.67%	3.18%	7.87%
RoE (%)	6.29%	13.42%	40.69%
RoCE (%)	15.61%	14.41%	27.94%

Notes:

(1) Revenue from operations is the total revenue generated by the company from its operations.

(2) Year-on-Year Growth in Revenue from Operations is the annual growth in revenue from operations compared with the previous

year's revenue from operations. It is calculated as (Revenue from operations of the current year / Revenue from operations of the previous year) * 100.

(3) Gross Profit is Revenue from operations minus the cost of goods sold.

(4) Gross Profit Margin is calculated as (Gross Profit / Revenue from Operations) * 100.

(5) EBITDA is calculated as Profit before tax + Depreciation + Amortization + Finance cost – Other Income.

(6) EBITDA Margin is calculated as (EBITDA / Revenue from Operations) * 100.

(7) PAT (Profit After Tax) is the profit after taxes for the period.

(8) PAT Margin is calculated as (PAT / Revenue from Operations) * 100.

(9) ROCE (Return on Capital Employed) is calculated as EBIT (Profit before tax + Finance cost) divided by average capital employed ((opening capital employed + closing capital employed) / 2), where capital employed is defined as the average of Equity Fund plus debts plus lease liabilities.

(10) ROE (Return on Equity) is calculated as (PAT / Average Shareholder's Equity) ((opening equity + closing equity) / 2).

OUR STRENGTHS

Multi-channel pan-India distribution network and newfound focus on EBOs

As of March 31, 2024, we have established a pan-India presence through various touchpoints, which include exclusive brand outlets (EBOs), large format stores (LFS), and multi-brand outlets (MBOs). Our reach spans from major metropolitan areas to Tier-3 cities. In addition to our physical locations, we have strengthened our presence online via our website, www.sweedreams.in, and various e-commerce marketplaces. Our EBOs are our experience centers. We have a team put in place for opening EBOs that spans from dealmaking and negotiating to furnishing and hiring sales staff. Our Location Wise EBO Distribution are as follows:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Western	10	0	0
Eastern	0	0	1
Northern	13	14	12
Southern	0	0	0

Further as on date, we are having 33 running EBO's. In addition to our EBOs, we also have a strong presence through our MBOs and LFS across all geographical zones in India.

In-house expertise in designing and developing products

Our designs are known for being colorful, playful, and bold. We set ourselves apart from other sleepwear brands by targeting shoppers looking for something more stylish. To achieve this, we have an in-house design team, including graphic designers and illustrators. This team allows us to create a wide variety of designs for different collections and channels each season. With exposure in both domestic and international markets, our designers understand global trends and design practices.

We have a sampling facility that helps us quickly bring new ideas and designs to life. We present these samples to our retail partners at bi-annual tradeshow, gather their orders and feedback, and then proceed with production. Over the past two decades, we have accumulated valuable data on consumer purchasing patterns for sleepwear and how they have evolved. We have also expanded into related categories like Athleisure, creating products for occasions such as pyjama parties, airport outfits, and hotel stays. This diversification meets changing consumer demands, keeps our brand fresh, fosters brand loyalty, and enhances brand engagement throughout the day.

Strong unit economics with scalable asset light model

We outsource majority of our manufacturing operations while handling all aspects of design in-house. We do this to maintain an asset-light model with respect to plant, property, and equipment. Our in-house manufacturing helps us to manufacture and reach market faster keeping overall quality in control. Using our economies of scale we drive efficient partnerships from the back-end to front-end without a need to invest in developing manufacturing facilities. This structure provides us agility with our longstanding sourcing partners allowing us to increase or decrease our supply based on the demand from our various channels. While we outsource our manufacturing, we continue to maintain oversight over each stage of the process, with centralized ordering of fabric and accessories to meet timelines for each stage of production by our manufacturing partners. Our selling points are divided into EBOs, MBOs, LFSs and online sales.

Our asset light model also covers every aspect of our sales operations, with none of our stores being situated on properties owned by us. Our asset light model provides for scalability and enables us to open EBOs in a time efficient manner. Our business model of being an asset light company has led to a consistent improvement in our ROCE for the year ended ended 2024, 2023 and 2022 which is 15.61%, 14.41% and 27.94% respectively. All of the above allows us to optimize our costs, from procurement costs to distribution costs and employee costs, leading to sustained profitability with improving financial metrics.

Scalable Business Model

Our business model is order driven, and comprises of optimum utilization of our designing, manufacturing, processing and marketing facilities, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years after opening of EBO's. We can scale upward as per the requirement generated by our Company.

The business scale generation is basically due to the potential development possibilities of new markets both international and domestic, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

Organizational stability along with management expertise

Our company has an established track record of around 20 years which indicates the company's ability to weather economic and business cycles and competent management team have over a decade of relevant experience. This indicates our ability to maintain business viability and steer the business through operational hurdles. Our management and employee team combines expertise and experience to outline plans for the future development of the Company. Our Promoter and Managing Director have significant industry experience and has been instrumental in the consistent growth of our company.

The promoters are supported by an experienced team who knows in and out of the Company's business. We believe that the knowledge and experience of our promoter and management enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business. For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to the chapter titled "Our Management" beginning on page 175 of this Red Herring Prospectus.

Existing client relationship and customer satisfaction

We have maintained good relationship with our major customers. We are successful in building a strong client base for our business. Our existing relationships help us to get repeat orders from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

Our customers are highly satisfied with our services from purchase order to quality to delivery to customer complain redressal mechanism. We have been able to achieve this customer satisfaction with the help on timely deliveries, ease of placing orders, and our stellar customer services.; this has helped in creating a customer base from various categories such as retailers, semi-wholesalers, etc.

The details of repeat orders from our customers:

(Amount in Lakhs)

Particulars	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %
Sales from Repeat Customers	14,461.45	89%	12,264.69	91%	12,146.98	95%
Sales from Non-Repeat Customers	1,783.82	11%	1,224.67	9%	699.48	5%
Total Sales	16,245.27	100%	13,489.36	100%	12,846.46	100%

Notes:

- 1) Repeat amount & percentage is in comparison to previous year sales to same customers in company books of account.
- 2) Repeat Sales is considered based on Primary Billing in Our Books of Accounts

Unique positioning in sleepwear market as gender-agnostic and catering to the entire family

In the fashion industry, sleepwear is typically categorized as a subcategory of innerwear. Brands such as Clovia, Zivame, and Lovable, which are primarily known for their lingerie, stock essential sleepwear and are strongly perceived as feminine due to their core business focus. Conversely, brands like Jockey and Marks & Spencer, known for male innerwear and formalwear, also offer essential sleepwear.

SWEET DREAMS stands out as the only gender-agnostic brand offering fashionable sleepwear for the entire family, bypassing the innerwear categorization. Our product is categorized under Western clothing, with ethnic elements in subcategories such as nighties. Recently, elements traditionally associated with formal attire, such as piping and notched collars, have been repurposed in fashion sleepwear designs. This trend suggests a blurring of the lines between formal and casual clothing, making sleepwear more fashionable and versatile.

OUR STRATEGIES

In Phase 1 of the Company's journey, we established a sleepwear platform, focused on traditional distribution channels to get scale and build expertise. In Phase 2 of Company's journey, we aim to evolve the business towards exclusive brand outlets and direct

to customer channels to drive customer loyalty, margin expansion and high cash conversion with asset-light operations.

Initially, we began as manufacturers with an Essentials product line in general trade, building a viable business. We then moved to the higher margin Fashion category in general trade, expanding our offerings to the entire family. In Phase 1 of our journey, we established a sleepwear platform focused on traditional distribution channels and gaining scale. With a mature business in general trade, we are now shifting towards D2C through online marketplaces, our own website, and EBOs. This marks Phase 2 of our company, where our established trade business supports our expansion into direct-to-customer channels to drive customer loyalty, margin expansion, and high cash conversion with asset-light operations.

Strengthen leadership position in sleepwear market and focus on additional product launches for Store Sales Growth

Our diverse product portfolio, available in various price ranges, for different genders, age groups, styles, and colors, ensures that we are well-positioned to cater to the sleepwear needs of families from different economic backgrounds and segments. This enables us to address the growing demand in this sector as incomes rise. Additionally, the sleepwear category is still in its early stages, and the lack of organized players and limited competition positions us well to capitalize on the sector's growth.

Our EBOs are strategically located in areas where we are the sole store with a "Sleep theme". Understanding that the broader consumption around sleep includes multiple products as part of one's sleep ritual, we introduced high-margin sleep-themed products such as sleep masks. The broader acceptance of our "Sleep theme" concept has been positive, and we may plan to launch additional products aligned with this theme.

Continue to expand retail network with a focus on EBOs

In the past, we have expanded our stores using a cluster-based model and plan to continue this approach by establishing more Exclusive Brand Outlets (EBOs). Our strategy involves expanding COFO (Company Owned, Franchise Operated) model and COCO (Company Owned, Company Operated) stores. As part of our growth strategy, we aim to expand our EBO network across various regions in India. By positioning our products as premium priced, we hope to increase our footprint and scale operations nationwide.

Our approach initially focuses on tier I cities, but we will also establish EBOs in tier II and III cities to capitalize on the growth in these areas, leveraging our store network, we aim to tap into this opportunity while maintaining quality and providing a consistent customer experience. Our experience in operating stores in existing Indian markets equips us with the knowledge and resources needed for further expansion. Currently, we are predominantly in the North and West regions and aim to deepen our penetration there while also targeting the South and East for further development. Detailed market research and analysis guide our efforts to open new stores, considering factors like local population density, rental rates, market potential, accessibility, and proximity to competitors.

Company has traditionally been operating in MBO's and Large Format Stores through retailers and distributors. We have seen this category mature and have gained customer recognition. Hence, we started experimenting with opening stores in all three models i.e. COFO, COCO and FOFO. This has helped us reach customers directly and communicate brand story with look and feel of the store, garments looks and visual merchandise elevating brand in customer mind. Further customers visit malls and high street complexes across country to meet their demand where such MBO's and LFS are not available this gives company additional business avenue to reach to customer and meet their demand. We see huge untapped scope to increase our revenue. Further since company has complete control over the stock display at Exclusive Brand Outlets it gives company advantage to display and sell premium garments with premium store outlook further it will help eliminating retailers and distributor channel from middle giving us direct control of our business and reduce lot of inefficiencies.

Focus on online channels and capitalize on the e-commerce trend

India has experienced significant growth in internet penetration and mobile connectivity, leading to an increased online presence among the population and a subsequent boom in e-commerce, social commerce, and mobile payments. We plan to strengthen our online sales channels to capitalize on evolving customer trends. Our strategy includes investing in digital channels to build an omni-channel engagement experience, supported by e-commerce team. To bring our brand closer to online consumers, we will continue to invest in growing our social media presence through content creation across Instagram, Facebook, and YouTube by our in-house team.

Additionally, we have established successful collaborations with influencers on Instagram, including both celebrities and micro-influencers, to enhance regional brand awareness. We also leverage our partnerships with e-commerce marketplaces to achieve deeper market penetration and reach new customers, assisted by a team focused on driving our e-commerce initiatives.

Leverage Technology to Bring Cost Efficiency and Enhance Customer Experience

Our goal is to enhance operational efficiency and ensure effective supply chain management by adopting global best practices. To achieve this, we plan to invest in IT infrastructure to boost productivity and save time. We will expand and upgrade our warehouse facilities to optimize inventory and supply management. This strategic expansion will improve customer deliveries and enhance

the buying experience through faster dispatches. Furthermore, we intend to implement new technologies to better understand customer preferences, increase sales, and support business growth.

PRODUCT PORTFOLIO

A distinctive feature of our Company's product portfolio is our comprehensive range of sleepwear for men, women, and children. Our Essentials product line remains consistent over several years, while our Fashion product line is characterized by seasonal updates with new colours, patterns, and accessories. We curate exclusive collections for our direct-to-consumer channels, such as our website and EBOs, which are offered at higher price points.

Over the years, as SWEET DREAMS has earned our customers' trust in sleepwear, we have successfully expanded into adjacent categories such as athleisure and workout wear, which also require expertise in creating comfortable and fashionable clothing. The athleisure category is a natural extension for us, given our experience with comfort wear. Athleisure, which emphasizes comfortable clothing with various accessories, is represented by a distinct collection under our brand named "SDMOVE." This collection includes products such as tracksuits, sweatshirts, workleisure pants, and workout wear.

The table below provides detailed information on our product portfolio of sets, broken down by collection and price range, as of March 31, 2024:

Category	Products					MRP Range (in ₹)
Women						1299 To 3499
Men						1599 To 2999
Kids						899 To 1799

DESIGN PROCESS

The product lifecycle begins with the design stage. We offer a wide range of designs along with comfortable fabrics for providing abundant choices for our customers. Our design team follows processes to capture global fashion trends by studying data on styles that performed for us in previous years, travel to global fashion hubs like France, USA and beyond, to get inspired by the latest in fashion, and attend international fashion events to learn about new production methods. We source premium fabrics, focusing on materials that are as pleasant to touch as they are durable and breathable. Our commitment to comfort influences every design decision, from selecting the right fabric to incorporating features that enhance wearability, such as elastic waistbands and soft, non-irritating seams. This ensures that our sleepwear not only feels good on the skin but also supports a good night's sleep and relaxation by regulating body temperature. Our products are designed following 3 core values: comfort, style, and longevity. Comfort is a hygiene quality for our category, style is our differentiated offering in the market, and the quality of longevity is to build trust in our brand and to build a lifelong relationship after the first purchase.

Revenue bifurcation for essential products and fashion products

(Amount in Lakhs)

Particulars	For the period ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Essential Products	2907.69	2573.47	2268.21
Essential Products (In %)	17.90%	19.08%	17..66%
Fashion Products	13337.58	10,915.89	10578.26
Fashion Products (In %)	82.10%	80.92%	82.34%

SALES AND RETAIL NETWORK

EBOs

After establishing a sizeable business in the General Trade channels, the Company launched its EBO journey in 2018, focusing on achieving business growth through EBOs. Our EBOs feature standardized visual designs and layouts that reflect our brand, making it easily recognizable. This model allows us to emphasize branding, consumer preference, and product quality, providing a buffer against the competitive margin pressures from national chain stores, MBOs, and other intermediaries.

We believe that identifying and determining the right store locations, particularly in high-street areas and main shopping hubs, is critical for ensuring visibility among target customers and the sustainability of store operations. We have set internal parameters for property identification, including location, rental costs, and proximity to the catchment area, which has helped establish trust with our customers. We will continue to expand our EBO network, securing prime locations at competitive deals. The Company operates under three models: COCO (Company Owned and Company Operated), COFO (Company Owned and Franchisee Operated), and FOFO (Franchisee Owned and Franchisee Operated).

The Company had decided to expand its EBO network across the country and accordingly company till Fiscal year 2023 was depended largely on FOFO model to expand its stores. In Fiscal Year 2024 company decided to go ahead with expansion in major malls and premium high streets across the country. Malls have major requirement of signing up lease agreement only with Brands and hence company was required to sign lease agreement with malls and hence accordingly stores are owned by Company. Since Company was opening these stores from internal accruals, COFO gives an additional advantage of accessing franchisee capital and network and retailing experience of franchisee in day-to-day operations. Hence Company preferred to open stores in COFO model.

The table below details the number of Active EBO stores under the categories of COCO, COFO, and FOFO as of the specified time periods:

EBO Store Category	Number of Stores (as on)		
	March 31, 2024	March 31, 2023	March 31, 2022
COCO	1	2	1
COFO	14	1	0
FOFO	8	11	12
Total	23	14	13

Further as on date, we are running 33 EBO's.

Examples of some of our EBO storefronts are below:



Details of our EBO's along with Agreements with Franchisee for COFO Model EBO's as on date:

S. No	Party Name	State	Type	Zone	Term	Franchise Start Date	Franchise Last Date
1.	Lucknow Store	Uttar Pradesh	COCO	North	--	--	--
2.	Z-Square, Kanpur Store	Uttar Pradesh	COCO	North	--	--	--
3.	Alpha One Store	Gujarat	COFO	West	01-02-2024	5 Years	30-01-2029

SWEET DREAMS

4.	Palladium Store	Gujarat	COFO	West	23-06-2023	5 Years	22-05-2028
5.	Amritsar Store	Punjab	COFO	North	01-12-2022	5 Years	30-11-2027
6.	Amritsar-2 Store	Punjab	COFO	North	01-09-2023	5 Years	30-08-2028
7.	Bhopal Store	Madhya Pradesh	COFO	West	01-09-2023	6 Years	30-08-2028
8.	Gurugram Store	Haryana	COFO	North	16-08-2023	9 Years	15-08-2032
9.	Indore Store	Madhya Pradesh	COFO	West	10-02-2023	59 Months	09-01-2028
10.	Kandivali Store	Maharashtra	COFO	West	12-08-2023	10 Years	11-08-2033
11.	Ludhiana Store	Punjab	COFO	North	01-09-2023	19 Months	30-03-2025
12.	Ludhiana-3 Store	Punjab	COFO	North	25-08-2023	9 Years	24-08-2032
13.	Udaipur Store	Rajasthan	COFO	North	16-10-2023	5 Years	15-10-2028
14.	Viman Nagar Store	Maharashtra	COFO	West	12-09-2023	59 Months	11-08-2028
15.	Wakad Store	Maharashtra	COFO	West	12-09-2023	59 Months	11-08-2028
16.	Nh-1 Ambala Store	Haryana	COFO	North	15-03-2024	1 Year	14-03-2025
17.	Pvp Mall - Vijaywada Store	Andhra Pradesh	COFO	South	07-06-2024	9 Years	06-06-2033
18.	Nexus - Hyderabad Store	Telangana	COFO	South	21-06-2024	5 Years	20-06-2029
19.	Mall Of Dehradun Store	Uttarakhand	COFO	North	01-06-2024	6 Years	31-05-2030
20.	Lulu Mall - Lucknow Store	Uttar Pradesh	COFO	North	25-08-2024	6 Years	24-07-2030
21.	Airport - Ahmedabad Store	Gujarat	COFO	West	01-09-2024	3 Years	31-08-2027
22.	Swagat Mall - Ahmedabad Store	Gujarat	COFO	West	01-09-2024	9 Years	31-08-2033
23.	Green City Bhatinda Store	Punjab	FOFO	North	27-11-2023	5 Years	26-11-2028
24.	Jalandhar Store	Punjab	FOFO	North	19-07-2023	5 Years	18-07-2028
25.	Beam Retail and Infra Pvt Ltd (Ebo Terminal-1 Mumbai Airport) - Mumbai	Maharashtra	FOFO	West	11-03-2024	1 Year	10-03-2025
26.	Beam Retail and Infra Pvt Ltd (Ebo Terminal-2 Mumbai Airport) - Mumbai	Maharashtra	FOFO	West	14-10-2023	1 Year	13-10-2024
27.	Iqbal Wasu And Sons (Fashion) Ebo -Dehradun	Uttarakhand	FOFO	North	01-01-2024	5 Years	31-12-2028
28.	Shri Balaji Traders (Ebo) - Barnala -Barnala	Punjab	FOFO	North	08-04-2024	5 Years	07-04-2029
29.	Shri Balaji Traders (Fashion) Ebo -Bhatinda	Punjab	FOFO	North	03-10-2019	5 Years	02-10-2024
30.	Uneed Retail Ltd (Ebo) - Bhavnagar	Gujarat	FOFO	West	22-05-2023	5 Years	21-05-2028
31.	Airport - Pune Store	Maharashtra	FOFO	West	13-08-2024	5 Years	12-08-2029
32.	Airport - Vizag Store	Andhra Pradesh	FOFO	South	01-05-2024	4 Years	30-04-2028
33.	Ashiana - Lucknow	Uttar Pradesh	FOFO	North	29-06-2024	5 Years	28-06-2029

Modern Retail (including MBO's, LFS's and Distributors)

Large Format Stores are usually big stores which house their own label and other brands. These are regional Chains or national chains. Since relationship is centralised, we have a team in our office who handles relationship at head office level with retailer. In such arrangement we are doing business with retailer directly without any distributor. Multi Brand Outlets generally are smaller in size in terms of business as compared to Large Format Stores. They are usually serviced through distributors except few MBO's which are single door but serviced directly.

The Company has built its distributors base across the country covering almost all major states and dealing with them for almost more than a decade. The business with trade channel has its inherent limitation with respect to margin, expansion and growth, but it gives consistent business with assured profitability and cash flow significantly supporting sizeable part of our business. The company began its Modern Retail business with Shoppers Stop in 2006. Today, our presence spans all major chain stores, including regional chains such as Shoppers Stop, Pantaloons, Chunmun, and Vijay Store. The company is cautiously expanding its presence in modern retail, considering the growth and margins.

SWEET DREAMS

Below are the details of the revenue generated from our MBOs/distributors for the Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue generated (in Rs. Lakhs)	10,273.45	9820.46	9326.53
Percentage of the revenue from operations (%)	63.24%	72.80%	72.60%

Please see below the details of the revenue generated from our LFSs for the Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue generated (in Rs. Lakhs)	1734.40	1286.94	972.87
Percentage of the revenue from operations (%)	10.68%	9.54%	7.57%

Our Distributors:

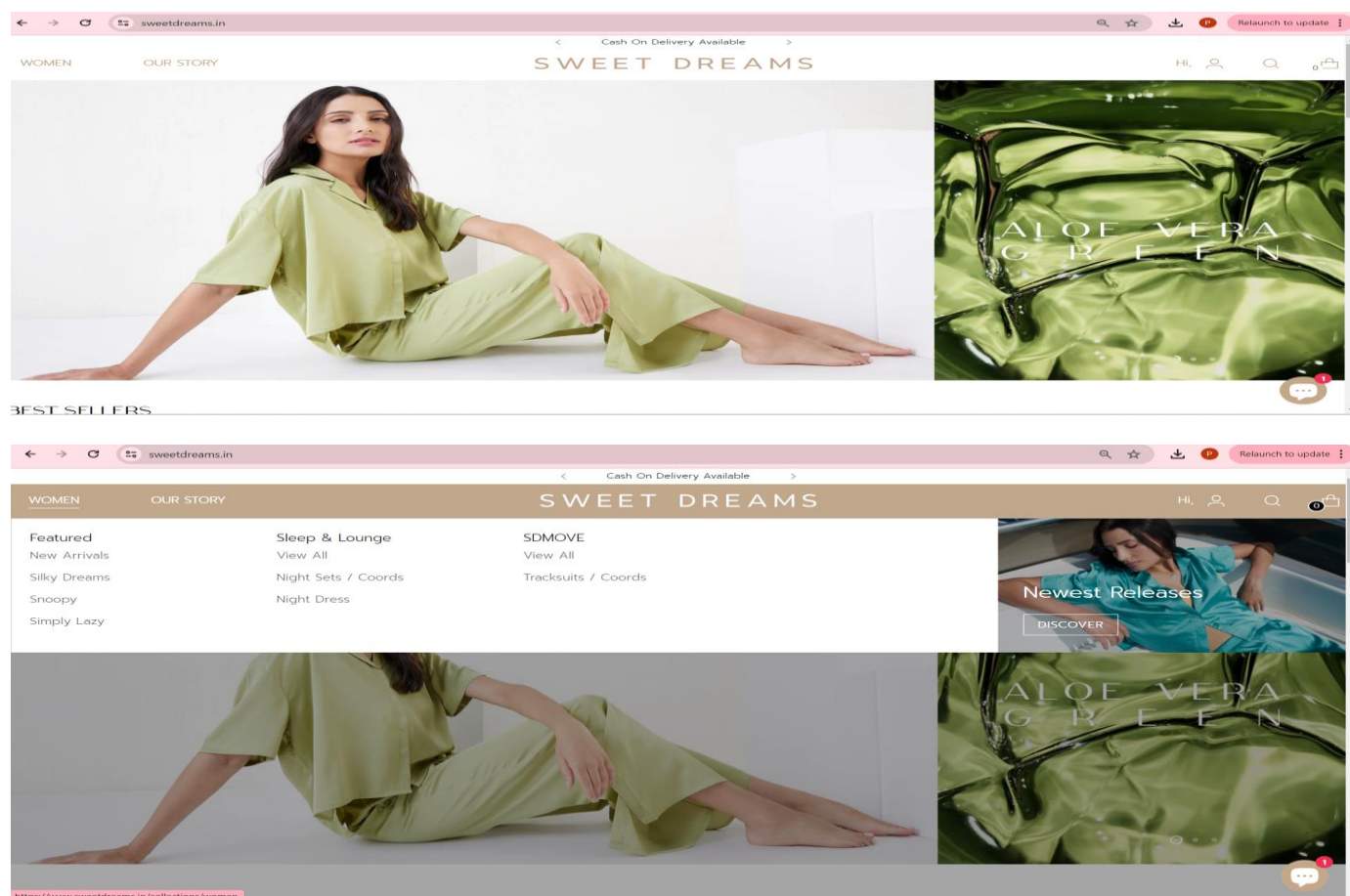
Particulars	For the Year ended		
	31st March 2022	31st March 2023	31st March 2024
No of Distributors	165	167	173

Note – No. of Distributors is based on the billing done on the name of such distributor in specific year.

Online Channels

The company began its online presence on marketplaces in 2014 with Myntra. Today, we are available across all major marketplaces, including Myntra, Amazon, Flipkart, Tata Cliq, AJIO, NYKAA, and NYKAA Fashion.

Please find a website walkthrough below:



The breakup of online channels sales is as follows:

(Amount in Lakhs)

Particulars	For the period ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Website Sales	198.99	4.62	0.00
Website Sales (In %)	1.22%	0.03%	0.00%

Other Online Sales	2588.10	1270.24	1713.74
Other Online Sales (In %)	15.93%	9.42%	13.34%

Return Policy

Under the Company's standard contract terms, customers have a right of return goods as per Company's policy. Our policy offers a generous 15-days return / exchange period after delivery. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognized for those products expected to be returned. At the same time, the Company has a right to recover the product when customers exercise their right of return; consequently, the Company recognizes a right-to-retained goods asset and a corresponding adjustment to cost of sales. The Company uses its accumulated historical experience to estimate the number of returns on a seasonal basis using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognized will not occur given the consistent level of returns over previous years.

MANUFACTURING AND SOURCING

In-House Manufacturing:

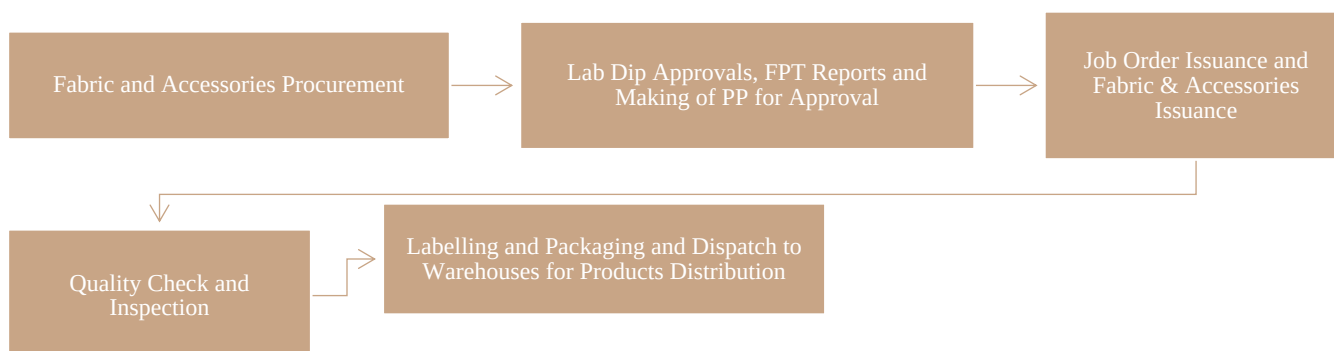
We have an in-house manufacturing process, which is highly flexible and customizable. This team is equipped to manufacture most complex garments giving flexibility of designing most fashionable garments. Our team managing the manufacturing facility is committed to continuous innovation and quality parameters for our end consumers. Our end-to-end manufacturing setup combines the latest machinery with skilled human labor, all under one roof.

We have developed a well-established manufacturing unit equipped with all the necessary modern machinery and tools. Our team operates this machinery, enabling us to handle bulk client orders and deliver them within stipulated timeframes. Supported by a robust manufacturing facility, we are capable of efficiently meeting our apparel bulk requirements at times by reducing the turnaround time. Company prepares samples for different designs and accessories; our sales team prepares production quantity based on sales estimates or orders received style wise to our sourcing team. Company has procured various types of accessories in different sizes and different colours, some of the examples of accessories procured such as Packing Bags, Inlay Cards, Elastic, Tags, Labels, Fusing, Boxes, Buttons, Threads, Box Packing Tape, Zipper, Bar Code, Card Board, Lace, Ribbon and Strings.

Sourcing team accordingly prepares BOQ for each style along with specification and its accessories requirement for each style and consolidated requirement sheet. Once requirements are finalised sourcing team places requirement to nominated vendors with quantities and specifications. Once quotation is received accordingly order is placed either to nominated vendor or to the vendor with the lowest quote along with delivery schedule.

Vendor sends pre- production sample for approval. This sample is approved or comments for modification are given. Once concerned accessory is received at our warehouse our inhouse team inspects the concerned accessory and either approves or rejects the goods. If goods are approved for quality, they are inwarded in store. If goods are rejected the same is informed to the vendor and material is returned back.

OUR BUSINESS PROCESS FOR MANUFACTURING INHOUSE



1. **Fabric and Accessories Procurement:** This process begins with obtaining quotations from various suppliers. After receiving the quotations, we finalize a supplier based on price, quality, and timeliness of delivery. The main step in fabric procurement is acquiring the right quality of fabric according to the client's requirements.
2. **Lab Dip Approvals, FPT Reports and Making of PP for Approval:** Another step in the manufacturing process is lab dip. A lab dip is a dyed cloth or yarn swatch created for color approval in clothing. When a fabric is used to make a garment or another textile product, a lab dip creates a small sample of that material. A textile dyeing mill or dye house generates a lab

dip and uses it to match the desired color according to the design. After the lab dip, a fabric performance test (FPT) is conducted to ensure the fabric's quality meets the required standards. Once the FPT results are positive, pre-production samples are made before starting bulk production. A pre-production sample is a type of development sample used to finalize details and confirm the product's quality and specifications.

3. **Job order Issuance and Fabric & Accessories Issuance:** After the samples are approved, a job order is issued to the manufacturing department, and the fabric and accessories are handed over for production. During the production process, inline and midline audits are conducted to ensure quality assurance.
4. **Quality Check & Inspection:** Garments inspection is a crucial aspect of the readymade garments sector. The quality inspector must ensure perfect quality according to the buyer's instructions. Quality control inspections occur at every stage of production, requiring designated quality control inspectors to ensure that products of the right quality reach customers. Each part of the garment must be inspected, including measurements, sizing, trims, cloth quality, and more.
5. **Labelling & Packaging:** Labeling is carried out according to the specifications provided by the merchandising team in our centralized warehouse facility. Our Company distinguishes its packaging by including a card with photographs that showcase the products' appearance. Care is taken to make the packaging attractive, as well as to protect the products from damage. After labeling, the finished products are packed into cartons and stored in our central warehouse for further distribution to customers, distributors, and e-commerce platforms.

Contract Manufacturing:

As a company focused on retail, we predominantly outsource our manufacturing operations to job workers, which helps us keep fixed costs low. We ensure oversight and control over their manufacturing activities by having our personnel conduct regular inspections. This enables us to implement any necessary changes in design or production quantities efficiently.

Our job workers provide manufacturing services based on purchase orders, adhering to our specified quality standards, delivery times, and locations. They utilize their own facilities, staff, and equipment, while the workers remain their employees. We supply the necessary raw materials, including branded components, along with detailed manufacturing instructions. We retain ownership of these materials, and any unused portions must be returned to us. We also reserve the right to inspect their facilities during business hours to ensure compliance with our quality standards.

We procure raw materials, such as dyed fabrics and trim, which are then supplied to job workers to convert into finished products according to our specifications. To ensure quality and support our product development, we avoid long-term supplier agreements, opting instead for purchase orders based on our needs. We often purchase fabrics directly from mills or weavers, securing significant portions of their capacity to guarantee consistent quality and timely deliveries. For some products, we also import or procure finished goods from third parties. Our sourcing process begins with analyzing the production capacity of suppliers for each season, allowing us to allocate requirements and place orders accordingly. We also maintain a capacity buffer with additional suppliers to manage increased demand or potential delivery failures.

We prioritize strict control throughout production, regularly reviewing supplier performance and inspecting their facilities to address any issues or bottlenecks, ensuring smooth operations. The details of outsourced purchase is as follows:

(Amount in Lakhs)

Particulars	For the period ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Outsourced Purchases	5039.28	2928.31	2850.24
In %	66%	42%	44%

Outsourcing is an asset lite model. All assets are procured directly by manufacturers and hence company doesn't have to invest heavily in such asset procurement. Further also all fixed cost are also managed directly by such manufacturers and hence it gives company flexibility in terms of procuring material according to actual sales plan without carrying high factory fixed cost and capacity utilisation.

In addition, this market of contract manufacturing is well established with many factories available with trained manpower which enables company flexibility to manage any additional requirements of garments and manage any additional market demand. Company manpower visits manufacturer premises to check quality at their premises and also quality is checked at company warehouse once garments are received. This enables company to maintain its own quality standards. This major manufacturing is outsourced enables gives management bandwidth to focus on creating brand awareness and generate revenue from end consumers.

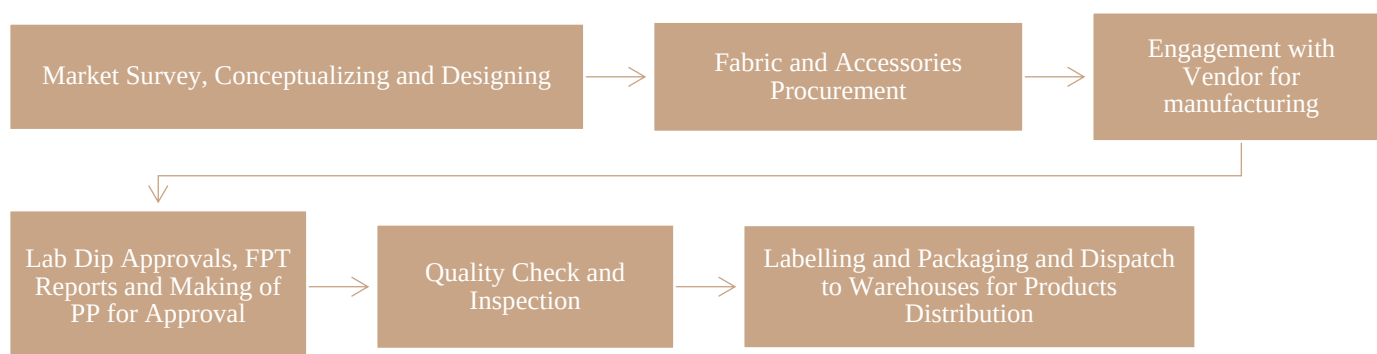
There are 69 contract manufacturing as of March 31, 2024, the geographical breakup is as follows:

Particulars	For the Period Ended		
	31st March 2022	31st March 2023	31st March 2024
Outside India	--	--	2

SWEET DREAMS

Chandigarh	--	--	--
Gujarat	7	12	20
Haryana	1	--	1
Madhya Pradesh	2	1	3
Maharashtra	7	11	11
Punjab	10	11	11
Rajasthan	--	1	5
Tamil Nadu	1	3	13
Uttar Pradesh	--	1	2
West Bengal	--	--	1
TOTAL	28	40	69

OUR BUSINESS PROCESS FOR CONTRACT MANUFACTURING



- 1. Market Survey, Conceptualizing and Designing:** Our production process begins with the conceptualization of trends, selecting the range, fabric choice, color, design patterns, and overall look and feel of the product. Relevant fashion trends are then forecasted to inspire various product lines. This exercise is conducted prior to the actual season. Fabrics are designed, embellishments and styling are planned to create collections based on these inspirations, and samples are prepared. Once the samples are approved, the final product details, including quantities, prices, designs, and other parameters, are finalized.
- 2. Fabric and Accessories Procurement:** This process begins with obtaining quotations from various suppliers. After reviewing the quotations, a supplier is chosen based on price, quality, and delivery timeliness. The primary step in fabric procurement is acquiring the right quality of fabric according to the client's requirements.
- 3. Engagement with Vendor for manufacturing:** This process involves obtaining quotations from different vendors for manufacturing products, followed by negotiations based on the technical aspects of in-house costs. The selected vendors manufacture our products according to the designs and specifications provided by our Company, adhering to stringent quality control measures defined by our quality assurance team. As part of our manufacturing process, a product sample is produced according to our specifications, and inline and midline audits are conducted during production.
- 4. Lab Dip Approvals, FPT Reports and Making of PP for Approval:** Another step in the manufacturing process is the lab dip. A lab dip is a dyed cloth or yarn swatch created for color approval in clothing. When fabric is used to make a garment or other textile product, a lab dip produces a small sample of that material. A textile dyeing mill or dye house generates the lab dip to match the desired color according to the design. Following the lab dip, a fabric performance test (FPT) is conducted to determine whether the fabric's quality meets the required standards. Once the FPT results are positive, pre-production samples are made before starting bulk production. These pre-production samples, a type of development sample, are sent to our company for approval.
- 5. Quality Check and Inspection:** Garments inspection is a crucial aspect of the readymade garments sector. The quality inspector must ensure perfect quality according to the buyer's instructions. Quality control inspections occur at every stage of production, requiring designated quality control inspectors to ensure that products of the right quality reach customers. Each part of the garment, including measurements, sizing, trims, and fabric quality, must be thoroughly inspected.
- 6. Labelling and Packaging:** Labeling is carried out according to the specifications provided by the merchandising team in our centralized warehouse facility. Our Company distinguishes its packaging by including a card with photographs that showcase the appearance of the products. Care is taken to ensure the packaging is attractive and protective, safeguarding the products from damage. After labeling, the finished products are packed into cartons and stored in our central warehouse for further distribution to customers, distributors, and e-commerce platforms.

QUALITY CONTROL AND ASSURANCE

We are dedicated to upholding high-quality standards throughout our sourcing and procurement processes. We conduct thorough inspections, including fabric and garment checks, at our suppliers' and manufacturing partners' facilities. These inspections are based on our internal quality standards, regulatory requirements, and product quality tracking. Multiple levels of quality checks are performed to ensure the correct fabric quality, and various inline quality assurance systems are in place to guarantee garment quality down to the last detail. As of July 31, 2024, our quality assurance team, comprising 12 members, is responsible for ensuring adherence to our established and proven quality standards.

EMPLOYEES AND HUMAN RESOURCES

Our employees are essential to our success, playing a vital role in maintaining our competitive edge in key markets and the retail industry overall. As of July 31, 2024, we employed 237 individuals across various departments.

Department	Number of Employees
Front End	100
Corporate	48
Marketing	3
Design	16
Business Intelligence	5
Logistics and Warehousing	13
Quality Assurance	12
Accounts and Finance	23
Human Resources and Admin	8
IT	5
Management	4
Total	237

Furthermore, as of July 31, 2024, we engaged 2 contractors, primarily for security and housekeeping services at factory. We pride ourselves on maintaining positive relationships with our employees by offering comprehensive compensation packages that include salary, performance-linked bonuses, and growth and reward plans.

Number of employees on a contractual basis for the last three years are as follows:

Particulars	As on 31st March 22	As on 31st March 23	As on 31 st March 2024	As on 31 st July 2024
	Total	Total	Total	
Contractual Employees (in Numbers)	207	186	241	226

Note – The Contractual Employees includes employees in factory hired on contract basis and in EBO's, and LFS's

BRANDING, MARKETING, AND ADVERTISING

Over the years, we have executed marketing campaigns across various platforms, including digital and social media, billboards, display advertising, print, radio, video, and multiplex cinemas. We consistently ensure our brand maintains a distinctive identity across all categories by using the brand logo, properties, and taglines throughout our marketing materials. We apply recognizable and standardized colors and typography in our packaging materials, at points of sale, and in our communications both online and in physical stores. We have implemented loyalty programs to reward our repeat customers and dedicated fans.

Our brand name, SWEET DREAMS, perfectly aligns with our sleepwear category. The phrase "SWEET DREAMS" is often the last words spoken by loved ones before sleep, and we leverage the positive connotation of relaxation associated with it to enhance our brand identity. Our marketing strategies aim to boost brand recall, increase brand awareness, acquire new customers, introduce new concepts, drive customer traffic across our retail channels, and reinforce our brand image. Our dedicated salesforce strengthens our image across the MBO network, while strong regional retail teams ensure consistency through visual merchandising communication.

We consider our Exclusive Brand Outlets (EBOs) a significant advertising channel. These EBOs feature standardized visual designs and layouts that embody our brand, making it easily recognizable. Strategically located in airports and top malls nationwide, these outlets enhance our branding initiatives. We also use in-store communication and store facades for advertising our brand. Our outdoor marketing strategies include leveraging advertisements at key vantage points, such as large hoardings. Our marketing and advertising efforts encompass social media and performance marketing. We engage regularly with current and prospective customers on social media. Additional initiatives include print advertisements, email communications, and public relations activities to enhance brand awareness. Through geo-targeted digital campaigns, especially when opening new stores, we

aim to acquire new customers, introduce new concepts, drive customer traffic across our retail channels, and reinforce our brand image. Influencer marketing has also proven to be an effective strategy for driving traffic to our new stores. Some of the marketing strategies our company employs for our General Trade business include:

- Allocating towards visual merchandise at various MBOs and modern retail outlets.
- Investing in marketing our products on different platforms.
- Strategically partnering with celebrities such as Katrina Kaif, Bipasha Basu, and Karan Singh Grover to appeal to larger audiences and boost sales for our retail partners.

INFORMATION TECHNOLOGY

For the Company, an IT infrastructure is crucial for ensuring operational efficiency and enhancing productivity. We continuously focus on building and improving our IT capabilities to support our business growth effectively. Our in-house staff allows us to use a mix of on-premise and cloud software, depending on the specific domain and its respective advantages. We have dedicated personnel responsible for maintaining our hardware, software, and networking requirements across our various facilities. Consequently, we regularly update both the front-end and back-end of our operations, including procurement, distribution, supply chain, and point-of-sale systems, which are integrated to provide a comprehensive view of the lifecycle of each SKU. Data is the backbone of our business model, and all our processes are captured and integrated, from raw material purchase to the sale to end consumers.

We monitor our sales and inventory at all points of sale, including EBOs, through our ERP system. This system provides the information needed to forecast trends and monitor the performance of each SKU at each point of sale. For our General Trade business, we developed an in-house application for booking orders, equipping our salesforce with this tool during visits to retail partners. This application is fully integrated with our production team, minimizing the time between receiving retail partner orders and initiating production. Our business intelligence tool helps us monitor sales and replenish our stocks regularly. Additionally, we track production processes at each milestone, enabling us to control and oversee the entire production process from start to finish. We select our software vendors based on simplicity, fault tolerance, scalability, maintainability, and security. Our existing IT infrastructure is prepared to handle growth in the coming years.

Information security and data privacy are paramount to us. Our information security program is built on policies that provide guidelines to protect against security threats and maintain the integrity of our information systems. We implement these policies by deploying controls across all platforms and infrastructure, utilizing security solutions, and maintaining a security team focused on application, network, and system security, compliance, and awareness. On the customer experience side, a subset of our technology team continuously enhances platform capabilities and improves the consumer shopping experience.

OUR CLIENT BASE

Our company has client base which includes retail suppliers, Large Format Stores, Franchise Operated stores, Distributors along with some retail customers. Our strategy is to seek new customers and at the same time secure additional engagements from existing customers by providing timely and improved products. We believe that our current capabilities and plans for the future will ensure that we are well positioned to attract and develop new customer relationships. Business from new customers is accepted upon consideration of factors such as alignment of capabilities and customer expectation, volume of business and future business, potential for close partnership with long-term association, and an analysis of upfront costs.

The following table illustrates the concentration of our revenues among our top customers:

(Rs. in Lakhs)

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	In %	Revenue	In %	Revenue	In %
Top 5 customers	4,876.29	30.02	3609.48	26.76	4005.00	31.17
Top 10 customers	6495.87	39.99	5091.60	37.75	5395.00	42.00

Revenue bifurcation based on B2B and B2C customers:

(Amount in Lakhs)

Particulars	For the Period Ending					
	31st March 2022		31st March 2023		31st March 2024	
	Amt	%	Amt	%	Amt	%
B2B	12,795.94	99.61%	13,397.34	99.32%	15,456.13	95.14%
B2C	50.52	0.39%	92.02	0.68%	789.14	4.86%
TOTAL	12,846.46	100.00%	13,489.36	100.00%	16,245.27	100.00%

Note: We have considered only our website sales and COCO and COFO Exclusive Brand Outlets as B2C Sales. (We have not included B2B Exclusive Brand Outlets in B2C Sales)

OUR LOCATIONS

Registered Office	C-929, Stratum at Venus Ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi, Ahmedabad, Gujarat- 380006, India
Manufacturing Unit	12-Ratnam Industrial Estate, Panam, Pirana Road, Ahmedabad – 382427, Gujarat, India

PLANT & MACHINERY

Our operational units have installed various machines, including Boiler, Cleaning Machines, Pallat Truck etc. The Plant and Machinery are owned by the Company. The Details is as follows:

Sr. No.	Equipment Description	Nos.	Make / Capacity	Application of Machineries
1.	Single Needle Sewing Machine	72	JUKI	Stitching Machine
2.	Over Lock Machine	8	KANSAI	Stitching Machine
3.	Over Lock Machine	19	JUKI	Stitching Machine
4.	Over Lock Machine	1	PEGASUS	Stitching Machine
5.	Flat Lock Machine	1	PEGASUS	Stitching Machine
6.	Flat Lock Machine	10	JUKI	Stitching Machine
7.	Flat Lock Machine	2	SERUBA	Stitching Machine
8.	Flat Shimmer	1	KANSAI	Stitching Machine
9.	Belt Machine	1	SERUBA	Stitching Machine
10.	Belt Machine	2	KANSAI	Stitching Machine
11.	Button Hole Machine	2	JUKI	Stitching Machine
12.	Button Stitch Machine	2	JUKI	Stitching Machine
13.	Straight Knife Machine	2	LIPU	Fabric Cutting Machine
15.	Straight Knife Machine	1	GOLDEN TIGER	Fabric Cutting Machine
16.	Straight Knife Machine	1	NEW EXPERT	Fabric Cutting Machine
17.	End Cutter Machine	3	KETTING	Layer Cutter
18.	End Cutter Machine	1	GOLDEN TIGER	Layer Cutter
19.	Piping Cutting Machine	1	PIPING CUTTING	Neck Binding
20.	Steam Press	8	PRESS	Garment Pressing
21.	Steam Boiler	1	MERCURY	Boiler
22.	Steam Boiler	1	STYLE CITY	Boiler
23.	Steam Boiler	2	SKY	Boiler
24.	Snap Button	2	JACK	Button Snap Machine
25.	Air Compressor	3	SIGMA	Air Compressor
26.	Air Dryer	1	SIGMA	Air Dryer
27.	Air Dryer	1	REFIGRATIS	Air Dryer

CAPACITY UTILIZATION

Particulars	As of, and for year/period ended								
	March 31, 2024			March 31, 2023			March 31, 2022		
	Installe d Capacit y	Actual Product ion	Capacity Utilizatio n	Installe d Capacit y	Actual Produc tion	Capacity Utilizatio n	Installe d Capacit y	Actual Producti on	Capacity Utilizatio n
			%			%			%
Pyjama	325000	284375	87.50%	630000	552240	87.66	630000	528480	83.89
T. Shirt Sets	80000	66000	82.50%	117000	99630	85.15	117000	96930	82.85
Jacket Sets	60000	54000	90.00%	108000	98280	91.00	108000	90180	83.50
Front Open Sets	60000	50700	84.50%	99000	85590	86.45	99000	81675	82.50
Round Neck T.Shirts	225000	184500	82.00%	252000	219600	87.14	252000	211680	84.00
Nighty	110000	95700	87.00%	234000	209880	89.69	234000	202500	86.54

GEOGRAPHICAL REVENUE BREAKUP

SWEET DREAMS

Country-wise sales:

(Amount in Lakhs)			
Country	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22
Kuwait	77.97	153.12	72.37
UAE	65.15	71.08	66.57
Nepal	0.00	3.43	0.93
Australia	0.00	4.00	0.00
Mauritius	0.00	6.71	0.00
Total	143.11	238.34	139.88

State-Wise Sales:

(Amount in Lakhs)						
State	2024	In %	2023	In %	2022	In %
Andaman And Nicobar Island	0.08	0.00%	0	0.00%	0	0.00%
Andhra Pradesh	285.33	1.76%	246.81	1.83%	238.34	1.86%
Arunachal Pradesh	2.88	0.02%	1.34	0.01%	0.69	0.01%
Assam	208.42	1.28%	305.36	2.26%	267.92	2.09%
Bihar	195.59	1.20%	226.34	1.68%	252.65	1.97%
Chandigarh	15.04	0.09%	23.18	0.17%	19.02	0.15%
Chhattisgarh	201.26	1.24%	153.33	1.14%	140.7	1.10%
Dadra and Nagar Haveli	0.41	0.00%	0.15	0.00%	0.12	0.00%
Daman and Diu	0.10	0.00%	0.01	0.00%	0.02	0.00%
Delhi	2,210.04	13.60%	1,744.58	12.93%	1,683.98	13.11%
Goa	5.50	0.03%	3.17	0.02%	0.72	0.01%
Gujarat	1,849.87	11.39%	1,517.67	11.25%	1,548.21	12.05%
Haryana	1,379.34	8.49%	748.3	5.55%	661.94	5.15%
Himachal Pradesh	19.49	0.12%	5.64	0.04%	21.81	0.17%
Jammu and Kashmir	181.50	1.12%	113.07	0.84%	86.25	0.67%
Jharkhand	151.83	0.93%	164.63	1.22%	154.59	1.20%
Karnataka	474.30	2.92%	246.45	1.83%	486.56	3.79%
Kerala	50.52	0.31%	32.29	0.24%	20.51	0.16%
Madhya Pradesh	717.75	4.42%	500.87	3.71%	460.96	3.59%
Maharashtra	1,290.49	7.94%	735.32	5.45%	1,036.49	8.07%
Manipur	0.43	0.00%	0.95	0.01%	0.85	0.01%
Meghalaya	2.65	0.02%	1.19	0.01%	0.62	0.00%
Mizoram	-7.68	-0.05%	6.32	0.05%	6.09	0.05%
Nagaland	-10.72	-0.07%	-22.61	-0.17%	57.77	0.45%
Nepal	0.00	0.00%	26	0.19%	0	0.00%
Odisha	285.57	1.76%	275.6	2.04%	240.08	1.87%
Puducherry	0.53	0.00%	0.14	0.00%	0.08	0.00%
Punjab	1,932.58	11.90%	1,638.89	12.15%	1,664.22	12.95%
Rajasthan	1,018.36	6.27%	896.04	6.64%	772.9	6.02%
Sikkim	2.45	0.02%	0.9	0.01%	0.71	0.01%
Tamil Nadu	164.85	1.01%	183.32	1.36%	93.02	0.72%
Telangana	517.60	3.19%	582.13	4.32%	429.58	3.34%
Tripura	1.13	0.01%	0.39	0.00%	0.22	0.00%
Uttar Pradesh	2,051.82	12.63%	2,040.41	15.13%	1,707.70	13.29%
Uttarakhand	477.08	2.94%	500.85	3.71%	407.7	3.17%
West Bengal	425.76	2.62%	351.99	2.61%	243.56	1.90%
Other Country	143.11	0.88%	238.34	1.77%	139.88	1.09%
TOTAL	16,245.27	100.00%	13,489.36	100.00%	12,846.46	100.00%

COLLABORATIONS/ TIE – UPS/ JOINT VENTURES: Except as disclosed in this Red Herring Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date of Red Herring Prospectus.

EXPORT AND EXPORT OBLIGATION: Our Company does not have any export obligation as on date.

UTILITIES AND INFRASTRUCTURE FACILITIES: Our registered office and manufacturing unit are located at Ahmedabad is well equipped with facilities required for our business operations to function smoothly.

Raw Materials

Our Company procures raw materials such as fabric, accessories, embellishments, etc. on its own for the products depending on the fashion trends and season from local markets as well as all over the world. Further, the Company is not directly importing any fabrics from different countries. The sourcing of such fabrics is from domestic traders who import such goods and supply to the Company in India in Indian currency. The top ten suppliers as on March 31, 2024 are as follows:

S. No.	Top Ten Suppliers
1.	Manohar Enterprises -Ludhiana
2.	Goutam Trading Co -Ludhiana
3.	Narbada Textiles Pvt Ltd -Indore
4.	Ma Apparels -Valsad
5.	A K Fashion - Valsad
6.	Laxmi Garment -Valsad
7.	Arvind Limited - Gandhinagar
8.	Juelle Retail Pvt Ltd -Ludhiana
9.	Devi Ji Enterprise -Ludhiana
10.	Maruti Texprocess India Private Limited -Botad

Power: Our Company requires power for the machines installed at the factory and normal requirement of the Office for lighting, systems etc. Adequate power is available which is met through the state electric supply. We also have generators to ensure uninterrupted power supply to our premises.

Water: Water is required for human consumption at office and adequate water sources are available from municipal water supply. The requirements are fully met at the existing premises.

INSURANCE

Our operations are exposed to inherent hazards such as work accidents, fire, explosions, earthquakes, floods, and other force majeure events, which can result in loss of life, severe damage, and destruction of property and inventory. Our primary types of insurance coverage include protection for all our stores, a consequential loss policy covering normal business risks such as fire, burglary, money, terrorism, and other natural disasters, as well as a marine policy. We also secure insurance for our goods stock and have a group mediclaim policy for our employees. These insurance policies are generally valid for a term of one year and are renewable annually. The insurance coverage we maintain represents an appropriate level of protection required to insure our business and operations and aligns with industry standards in India. See “Risk Factors – Internal Risk Factors – Our insurance policies may not adequately cover our losses, or we may incur uninsured losses in excess of our insurance coverage.” on page 27 Of this Red Herring Prospectus.

The details of Insurance policies are as follows:

S. No.	Address	Nature of Policy	Insurance Company	Policy No.	Sum Insured	Premium	Insurance Validity
1	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahmedabad -382440	Fire Policy	ICICI Lombard General Insurance Company Ltd	1021/329 582474/0 0/000	32,00,00,000	3,27,638	23.02.2024 To 22.02.2025
2	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahmedabad -382440	Burglary Policy	ICICI Lombard General Insurance Company Ltd	4002/329 582477/0 0/000	32,00,00,000	7,000	23.02.2024 To 22.02.2025
3	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahmedabad -382440	Fire Policy	ICICI Lombard General Insurance Company Ltd	1021/329 363511/0 0/000	1,24,00,000	11,650	23.02.2024 To 22.02.2025

SWEET DREAMS

4	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Burglar y Policy	ICICI Lombard General Insurance Company Ltd	4002/329 363517/0 0/000	1,24,00,000	1,372	23.02.2024 To 22.02.2025
5	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Fire Policy	ICICI Lombard General Insurance Company Ltd	1021/329 569991/0 0/000	5,45,00,000	50,000	23.02.2024 To 22.02.2025
6	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Fire Policy	ICICI Lombard General Insurance Company Ltd	1021/329 370909/0 0/000	81,00,000	9,947	23.02.2024 To 22.02.2025
7	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Burglar y Policy	ICICI Lombard General Insurance Company Ltd	4002/330 272627/0 0/000	5,45,00,000	1,011	23.02.2024 To 22.02.2025
8	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Burglar y Policy	ICICI Lombard General Insurance Company Ltd	4002/329 370925/0 0/000	81,00,000	1,578	23.02.2024 To 22.02.2025
9	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Fire Policy	ICICI Lombard General Insurance Company Ltd	1021/329 361652/0 0/000	50,88,000	5,408	23.02.2024 To 22.02.2025
10	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Fire Policy	ICICI Lombard General Insurance Company Ltd	1021/329 362209/0 0/000	1,00,00,000	9,395	23.02.2024 To 22.02.2025
11	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Transit Insurance	Tata AIG General Insurance Company Limited	891009305	50,00,00,000	73,750	05.02.2024 To 04.02.2025
12	Shop No. A-14 Lower Ground Floor, Pavilion Mall, Ludhiana, Punjab - 141008	Business	Go Digital General Insurance Ltd	D164002999	25,00,000	4,207	04.09.2024 To 03.09.2025
13	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Business	Go Digit General Insurance Ltd	D142253681	25,00,000	2,124	31.03.2024 To 30.03.2025
14	SWEET DREAMS 2nd Floor Unit No S-016 Nexus Amritsar Mall Mbm Farm Golden Temple Road Amritsar- 143001	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000372	27,00,000	4,927	21-10-2023 To 20-10-2024
15	First Floor, Unit No. F-03, Survey No.248 1 1 Phoenix Citadel, Next To Mumbai Agra Bypass Village Kharjana, Indore, Madhya Pradesh Indore-452016.	Business	Bajaj Allianz General Insurance Company Ltd.	OG-25-2202-4092-00000107	25,00,000	4,608	22-06-2024 To 21-06-2025
16	SWEET DREAMS Shop No. 74, First Floor, Eastwood Village, NH-44 Jalandhar-Phagwara	Business	Bajaj Allianz General Insurance	OG-25-2202-	25,00,000	4,923	28-07-2024 To

SWEET DREAMS

	GT, Road Village Khajurla, Tehsil Phagwara, Jalandhar, Punjab- 144005		Company Limited	4092-00000175			27-07-2025
17	SWEET DREAMS GF-34, Krishna Appt Vasant Sagar Complex, Krishna Chsl Thakur Village, Kandivali, Mumbai 400101	Business	Bajaj Allianz General Insurance Company Limited	OG-25-2202-4092-00000230	25,00,000	4,768	14-08-2024 To 13-08-2025
18	Second Floor, Unit No . S - 33 , Sector - 7, Gomti Nagar, ,Phoenix Palassio , Extension, Lucknow, Lucknow, Lucknow, Uttar Pradesh,226010	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000624	27,00,000	4,768	05-04-2024 To 04-04-2025
19	Sweet Dreams Gf Retails 3 Shop No 99 Palm Heights Vpo Jaspal Bangar Siuthern By- Pass Sidhwan Canal Rd	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000350	27,00,000	4,925	12-10-2023 To 11-10-2024
20	Sweet Dreams Gf Retails 3 Shop No 99 Palm Heights Vpo Jaspal Bangar Siuthern By- Pass Sidhwan Canal Rd	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000374	27,00,000	4,924	21-10-2023 To 20-10-2024
21	SWEET DREAMS Unit No FF-09, Fourth Floor, Final Plot No 1 + 2/1 Palladium Mall Town Planning Scheme No Ahmedabad – 380054	Business	Bajaj Allianz General Insurance Company Limited	OG-25-2202-4092-00000158	25,00,000	4,768	03-07-2024 To 02-07-2025
22	Sweet Dreams 2nd Floor Unit No 02-16-01 Celebration	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000406	27,00,000	4,639	01-11-2023 To 31-10-2024
23	Sweet Dreams Shop No.A 74,First Floor, Eastwood Village, Nh-44 Jalandhar-Phagwara Gt,Road Village Khajurla, Tehsil Phagwara, Kapurthala Chowk, Jalandhar, Jalandhar, Punjab-144005	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000375	27,00,000	4,767	21-10-2023 To 20-10-2024
24	SWEET DREAMS Shop No.A 74,First Floor, Eastwood Village, NH-44 Jalandhar-Phagwara GT,Road Village Khajurla, Tehsil Phagwara, Kapurthala Chowk, Jalandhar, JALANDHAR, PUNJAB- 144005	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000373	27,00,000	4,767	21-10-2023 To 20-10-2024
25	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	D & O Policy	ICICI Lombard General Insurance Company Ltd	4025/349 761127/0 0/000	2,00,00,000	34,220	22-06-2024 To 21-06-2025
26	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Key Man Insurance	Aditya Birla Sun Life Insurance Company Ltd	008744556	30,00,000	30,00,000	31-03-2022 To 31-03-2026
27	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir Bhamariya Laxmipura Lambha Ahemdabad -382440	Key Man Insurance	Aditya Birla Sun Life Insurance Company Ltd	008744555	25,00,000	25,00,000	31-03-2022 To 31-03-2026
28	Survey No 177 Near Eicher Services Private Services Centre B/H Krishna Mandir	Key Man Insurance	Aditya Birla Sun Life Insurance Company Ltd	008743640	5,00,000	5,00,000	31-03-2022 To 31-03-2026

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	Bhamariya Laxmipura Lambha Ahemdabad -382440						
29	2nd Floor, S 30, DB City , Opp. MP Nagar, On Khasra 1511	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000592	27,00,000	4,771	23-02-2024 To 22-02-2025
30	GF Shop No 60 Green City Square Nr AIIMS Bhatinda, Punjab - 151001	Business	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-4092-00000590	27,00,000	4,772	23-02-2024 To 22-02-2025

S. No.	Nature of Policy	Insurance Company	Policy No.	Sum Insured	Premium	Insurance Validity
1.	Vehicle Insurance	ICICI Lombard General Insurance Company Ltd	TIL/11124205	3,63,718	12,563	21-04-2024 To 20-04-2025
2.	Vehicle Insurance	Future Generali India Insurance Co. Ltd.	VD173468	19,49,000	19,402	11-07-2024 To 10-07-2025
3.	Vehicle Insurance	Bajaj Allianz General Insurance Company Ltd.	OG-25-2234-1801-00000282	3,13,155	12,264	08-06-2024 To 07-06-2025
4.	Vehicle Insurance	ICICI Lombard General Insurance Company Ltd	3005/O/310504155/00/000	63,327	1,094	14-10-2023 To 13-10-2024
5.	Vehicle Insurance	HDFC Ergo General Insurance Company Ltd	2302-2062-0630-9000-000	17,04,300	70,162	15-03-2024 To 14-03-2025
6.	Vehicle Insurance	Bajaj Allianz General Insurance Company Ltd.	OG-24-2202-1801-00015467	38,25,000	1,71,784	20-10-2023 To 19-10-2024

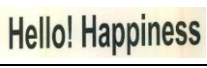
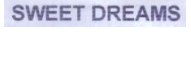
INTELLECTUAL PROPERTY AND TRADEMARKS

Intellectual Property

Set forth below are the trademarks registered/abandoned/objected in the name of our Company under the Trademarks Act, 1999:

S. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Owner	Authority	Date of Application	Validity	Current Status
1.	Device 	35	3363540	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	September 16, 2016	September 16, 2026	Registered
2.	Device 	25	3360904	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	September 14, 2016	September 14, 2026	Registered
3.	Word "COME HOME TO HAPPINESS"	25	3608664	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	August 08, 2017	August 08, 2027	Registered
4.	Word "WORK LIESURE"	25	3830264	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 11, 2018	May 11, 2028	Registered
5.	Device 	35	3186717	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 16, 2016	February 16, 2026	Registered
6.	Device 	25	3724453	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	January 11, 2018	January 11, 2028	Registered
7.	Device	25	4158706	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual	April 26, 2019	April 26, 2029	Registered

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					Property India			
8.	Device 	35	4165118	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 03, 2019	May 03, 2029	Registered
9.	Device 	25	3084023	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	October 23, 2015	October 23, 2025	Registered
10.	LOUNGE EXPRESS	25	1361531	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	June 03, 2005	June 03, 2025	Registered
11.	Word "SWEET SENSATION"	25	1361530	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	June 03, 2005	June 03, 2025	Registered
12.	Word "SAANJ"	25	1455196	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 30, 2006	May 30, 2026	Registered
13.	Word "FAMILY PAJAMA PARTY"	25	1487192	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	September 14, 2006	September 14, 2026	Registered
14.	Device 	25	1488031	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	September 18, 2006	September 18, 2026	Registered
15.	Word "NIGHT LIFE"	25	1533466	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 22, 2007	February 22, 2027	Registered
16.	Word "NIGHT LIFE"	35	1533467	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 22, 2007	February 22, 2027	Registered
17.	Word "SOUL FUSION"	25	1562573	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 28, 2007	May 28, 2027	Registered
18.	Device 	25	2103516	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 21, 2011	February 21, 2031	Registered
19.	"Device" 	25	3363543	S D Retail Pvt. Ltd.*	Trade Mark registry Intellectual Property India	September 16, 2016	September 16, 2026	Registered
20.	Device 	25	536072	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	August 28, 1990	August 28, 2024	Registered
21.	Device 	25	1573940	Acquired by S D Retail Pvt. Ltd. vide assignment deed dated November 21, 2017	Trade Mark registry Intellectual Property India	June 29, 2007	June 29, 2027	Registered
22.	Device 	25	1086191	Acquired by S D Retail Pvt. Ltd. vide assignment deed dated June 30, 2014	Trade Mark registry Intellectual Property India	March 11, 2002	March 11, 2032	Registered
23	Word "S D LOUNGEWEAR"	25	1150601	Acquired by S D Retail Pvt. Ltd. vide assignment deed dated November 21, 2017	Trade Mark registry Intellectual Property India	November 14, 2002	November 14, 2032	Registered

^the application and other correspondence in respect of the mark had been filed by M/s. S D Retail Pvt. Ltd. However, registration certificate in respect of same had been issued in name of one M/s. Billwin Waterproof Pvt. Ltd. and correction application in respect of same has been filed and is pending.

The Details of Domain Name registered on the name of the Company is :-

S. No	Domain Name	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	sweetdreams.in	Registry Domain ID: D9902508-IN	Godaddy.Com, LLC, Registrar IANA ID: 146	October 01, 2015	October 01, 2024
2.	Sdlgroup.in	Registry Domain ID: DC507DE99BB4F491A95CEC79FA04851D8-IN	Endurance Digital Domain Technology LLP, IANA ID: 801217	November 23, 2020	November 23, 2024
3.	sweetdreamsindia.com	Registry Domain ID: 83271479_DOMAIN_COM-VRSN	eNom, LLC IANA ID:48	February 02, 2002	February 02, 2027

IMMOVABLE PROPERTY

Details of our properties are as follows: -

Properties owned/Leased by the Company

S. No.	Details of the Property	Licensor/Lessor/Vendor	Owned / Leased	Consideration/ Lease Rental/ License Fees (in Rs.)	Use
1.	East Wings, C-929, Venus Stratum, Venus Ground, Nehru Nagar, Ahmedabad - 380015, Gujarat	Dheeraj Kumar (PAN: DCHPK9579Q)	Leased	Lease agreement dated April 17, 2023, lease Period: 9 yrs. Effective from April 17, 2023 till April 16, 2032 Rent: Rs. 82,350/- p.m. with escalation of 15% after every 3 years	Registered Office
2.	C-916, 917, 926, 927, 928, 930, East Wing, Stratum at Venus Ground, Nehru Nagar, Ahmedabad 380015, Gujarat.	1. M/s. Venus Infrastructure And Developers Private Limited (For C-916, C-917, C-926, C-927 & C-930) 2. . Mr. Kaushal R. Shah (PAN ABVPS 5324 B) (C-928)	Leased	Lease deed dated April 17, 2023 Lease Term: 9 Years which Shall commence from the effective date from April 17,2023 to June 30, 2032, with Lock-in of 5 years Lease Rent: Rs. Rs. 5,06,850/- pr month (i.e. @ Rs. 75 per sq. ft.) with escalation of 15% at the end of every 3 years.	Part of Administration Office
3.	12, Ratnam Industrial Hub, Ode-Pirana Road, Ahmedabad Gujarat. 382427	Mr. Ankit Rameshchandra Sheth (PAN No. ATDPS1799J)	Rented	Leave and License Agreement Dated November 27, 2020, Lease rent of Rs.2,92,700/- per month, Term: 59 Months which Shall commence from the effective date from November 01, 2020	Manufacturing Unit
4.	Mouje-Oad, Aslali, Taluka -Dascroi, Dist.: Ahmedabad,- 11, Block- No. 60, Plot No. 3-4-5	1. Ms. Avani Shalin Patel Proprietor of M/s. A-One Engineering 2. Ms. Sweni Sahil Patel Proprietor of M/s. Madhav Engineering 3. Mayurika Indravadan Patel Proprietor of M/s. Krishna Engineering	Leased	Sub Lease Agreement dated June 13, 2024 Term: 108 months i.e. for 9 years effective from June 01, 2024 with lock-in of 5 years Rent: Rs. 4,50,000/- p.m. with increase of 5% every year	Warehouse
5.	7, Ratnam Industrial Hub, Ode-Pirana Road, Ahmedabad Gujarat. 382427	Mr. Sheth Lalitkumar Kantilal HUF (PAN No. AAJHS4609G)	Rented	Leave and License Agreement Dated November 27, 2020, Lease rent of Rs.78,750/- per month, Term of Lease: 5 Years which Shall commence from the effective date from	Warehouse

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				November 01, 2020.	
6.	136, Panchamrut, Near Digambar Jain Derasar, Old Manekwadi, Crescent, Bhavnagar - 364002.	Minaben P. Ruparelia	Rented	Rent agreement Dated October 01, 2023, Lease rent: Rs. 14,000/- per month, Term: 5 Years which Shall commence from the effective date from October 01, 2023 to September 30, 2024	Warehouse
7.	Upper Basement, Unit No. 15, MBM Farm, G.T. Road, Amritsar, Amritsar, Punjab, 143001	Euthoria Developers Private Limited [CIN- U70102GJ2012PTC12 2516],	Rented	Leave and License Agreement Dated February 15, 2023 Lease Term: 5 years Lease Rent: Rs. Minimum License fee of Rs. 60/- per sq. ft. (total area being 404 sq. ft.) per month for 1 st year, Rs. 70/- per month for 2 nd year Rs. 75/- per month for 3 rd year (Minimum monthly guarantee to increase by 15% n average of first 3 years of license fees, after expiry of initial 3 years. + Revenue share of 7.5% of net sales	Exclusive Brand Outlet
8.	Second floor, Unit No. S-016, Nexus Amritsar Mall, MBM Farm, GT Road, Golden Temple Road Area, Amritsar, Punjab, 143001	Euthoria Developers Private Limited [CIN- U70102GJ2012PTC12 2516],	Rented	Leave and License Agreement Dated October 5, 2023 Lease Term: 5 years Lease Rent: Rs. Minimum License fee of Rs. 115/- per sq. ft. (total area being 276 sq. ft.) per month for 1 st year, Rs. 120/- per month for 2 nd year Rs. 125/- per month for 3 rd year (Minimum monthly guarantee to increase by 15% after expiry of 3 years of the license term. Rs. 143.75 per sq.ft. per month for last 2 years of the license term.	Exclusive Brand Outlet
9.	FF-4, Mufti, MGF Metropolitan, DLF City Phase-2, Near MG Road Metro Station, Gurugram, Haryana, 122022	Mr. Vishnu Prakash, Mrs. Neelam Prakash through SPA Holder Mr. Rajan Singla	Rented	Registered Lease Deed dated September 8, 2023 Lease Term: 9 years Lease Rent: Rs. 2,10,000/- (total area being 656.27 sq. ft.) per month for 1 st year, Rs. 2,25,000/- per month for 2 nd year Rs. 2,50,000/- per month for 3 rd year Rs. 2,87,500/- per month for 4 th , 5 th and 6 th year Rs. 3,30,625 per month for 7 th , 8 th and 9 th year	Exclusive Brand Outlet
10.	First Floor, Unit No. F-03, Survey No.248 1 1, Phoenix Citadel,Next to Mumbai Agra Bypass, Village Khajrana, Indore, Madhya Pradesh, 452016	Insight Mall Developers Private Limited, (CIN: U55101MH2007PTC1 69124) Resources Private Limited, Shree Laxmi Woollen Mills Estate	Rented	Leave and License Agreement Dated April 10,2023, Lease Term: 59 months effective from December 30, 2022 till November 29, 2027. Lease rent : 1.For a period of 12 months from 28th February 2023 Rs. 1,19,400/- 2. For the period from 13th month after License Fee Commencement Date till completion of 24th month from the License Fee Commencement Date, Rs. 1,24,375/- 3. For the period from 25th month after License Fee Commencement Date till completion of 36th month from the License Fee Commencement Date, Rs. 1,29,350 4. For the period from 37th month after the License Fee Commencement Date till the completion of 48th month from the License Fee Commencement Date Rs. 1,35,818/- 5. For the period from 49th month after the License Fee Commencement Date till the end	Exclusive Brand Outlet

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				of the License Term, Rs. 1,42,613/-	
11	First Floor, Shop No. A-74, Eastwood Village, NH44 Jalandhar Phagwara GT Road, Village, Khajurla, Tehsil Phagwara, Kapurthala Chowk, Jalandhar, Punjab, 144005	S. Sarbjeet Singh (Pan No: AWGPS6656N) & S. Charanjit Singh (Pan No: AWGPS6599G)	Rented	Leave and License Agreement Dated January 18,2024, Lease rent: Rs.50923/- per month Term of Lease: 9 Years Commencing from January 18, 2024 to January 17, 2033	Exclusiv e Brand Outlet
12	Ground Floor, Shop No 34, Krishna Apartment Vasant Sagar Complex, Krishna Kaveri CHSL,Thakur Village, Kandivali East, Mumbai, Mumbai Suburban, Maharashtra, 400101	Mr. Jaspal Singh Bhuller,	Rented	Leave and License Agreement Dated July 06,2023, Lease rent of 1-Rs.90,000/- per month for July 07, 2023 to July 06, 2024, 2-Rs.94,500/- per month for July 07, 2024 to July 06, 2025, 3-Rs.99,225/- per month for July 07, 2025 to July 06, 2026, 4-Rs.1,04,186/- per month for July 07, 2026 to July 06, 2027, 5-Rs1,09,395/- per month for July 07, 2027 to July 06, 2028, Term of Lease: 5 Years effective from June 07, 2023 to June 06, 2028	Exclusiv e Brand Outlet
13	Unit No. FF-09, Fourth Floor, Final Plot No.1+2/1, Palladium Mall, Town Planning Scheme No.1 of Thaltej, Ahmedabad, Ahmedabad, Gujarat, 380054	SGH Realty LLP,	Rented	Leave and License Agreement Dated January 24,2024, Lease rent of 1-Rs.2,50,000/- per month for June 22,2023 to June 21,2024, 2-Rs.2,65,005/- per month for June 22,2024 to June 21,2025, 3-Rs.280907/- per month for June 22,2025 to June 21,2026, 4-Rs.2,97,767/- per month for June 22,2026 to June 21,2027, 5-Rs.3,15,631/- per month for June 22,2027 to June 21,2028, Term of Lease shall be Fixed of 59 Months which Shall commence from the effective date from June 22,2023 to June 21,2028	Exclusiv e Brand Outlet
14	Ground Floor, Retail-3, Shop No. 99, Palm Heights, VPO Jaspal Bangar, Southern Bypass,Sidhwan Canal Road, Ludhiana, Ludhiana, Punjab, 141122	M/s. Malhotra Land Developers & Colonisers Private Limited	Rented	Leave and License Agreement Dated August 24,2023, Lease rent: on revue sharing e per month Term of Lease shall be Fixed of 9 Years which Shall commence from the effective date from August 25,2023 to to August 24,2032	Exclusiv e Brand Outlet
15	Second Floor, Shop No. S-38, Phoenix Marketcity, Survey No. 207, Viman Nagar Road, Pune,Pune, Maharashtra, 411014	Vamona Developers Private Limited (CIN:U45201MH2006 PTC165253),	Rented	Leave and License Agreement Dated August 24,2023, Lease rent of 1. For the period from 14th August 2023 to 13th August 2024 Rs.1,67,220/- per month 2. For the period from 14th August 2024 to 13th August 2025 Rs.1,77,253/- per month 3. For the period from 14th August 2025 to 13th August 2026 Rs.1,87,890 /- per month 4. For the period from 14th August 2026 to 13th August 2027 Rs.1,99,168 /- per month 5. for the period from 14th August 2027 to 14th May 2028 Rs.2,11,115/- per month Term of Lease shall be Fixed of 59 Months which Shall commence from the effective date from June15,2023 to May 14,2028	Exclusiv e Brand Outlet
16	Second Floor, Unit	Alyssum Developers	Rented	Term: July 03, 2023 till July 02, 2028 License	Exclusiv

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.	No. S-38, Phoenix Mall of the Millennium, Behind Sayaji Hotel, Wakad,Pune, Pune, Maharashtra, 411057	Pvt. Ltd,		Fee: 196650/- p.m. for 1st 12 months. 1. Rs. 207000 for 2nd set of 12 months 2. Rs. 2,17,350/- for 3rd Set of 12 months 3. Rs. 4. Rs. 2,28,735/- for 4th set of 12 months 5. Rs. 2,40,120/- for 5th set of 12 months	e Brand Outlet
17.	SHOP NO-A 14, ATRIUM FLOOR PAVILION MALL, OPP.EXTENSION LIBRARY,LUDHIANA, Ludhiana, Punjab, 141001	Bharti Land Limited,	Rented	Leave and License Agreement Dated February 15,2023, Lease rent of 1-Rs.52.50/- psf per month for May 01,2021 to June 30,2021, 2-Rs.105/- psf per month for July 01,2021 to April 13,2022, 3-Rs.121/- psf per month for April 14,2022 to April 13,2025 Term: 3 years	Exclusiv e Brand Outlet
18.	Second Floor, Unit No. S-30, DB City, Opp. MP Nagar on Khasra 1511 & 1509, Arera Hills,	DB MALLS PVT. LTD.	Rented	Leave and License Agreement Dated September 01, 2023, Average Annual rent of 9,45,054/- Term of Lease shall be Fixed of 6 Years which Shall commence from the effective date from September 01,2023 to October 31,2029	Exclusiv e Brand Outlet
19.	Second Floor, Unit No. 02-16-01, Celebration Mall,NH-08 Bhuwana, Bhuwana Road, Nexus Celebration, Bhuwana,Udaipur, Udaipur, Rajasthan, 313001	NEXUS UDAIPUR RETAIL PRIVATE LIMITED, having CIN no.U45400KA2007PT C069087	Rented	Rent agreement Dated October 19, 2023, Lease rent of 1-Rs.76,800/- per month for 1-3 year, 2-Rs.88,320/- per month for 4-5 year Term of Lease shall be Fixed of 5 Years which Shall commence from the effective date from October 16,2023 to October 15,2028	Exclusiv e Brand Outlet
20.	Second Floor, Unit No.S-33, Phoenix Palassio, Sector-7, Gomti Nagar Extension, Lucknow, Lucknow, Uttar Pradesh, 226010	Destiny Retail Mall Developers Private Limited, (CIN:U55101MH2007 PTC173673)	Rented	Leave and License Agreement Dated February 13,2023, Lease rent of 1-Rs.20,640/- per month for 1st Year 2-Rs.21,672/- per month for 2nd Year 3-Rs.99,225/- per month for 3rd Year 4-Rs.23,893/- per month for 4th Year 5-Rs25088/- per month for 5th Year Term of Lease shall be Fixed of 59 months which Shall commence from the effective date from December 20,2022 to November 19,2027	Exclusiv e Brand Outlet
21.	Ground Floor, Unit No. GF27-28, BVR MALLS PRIVATE LIMITED – PVP SQUARE MALL , Door No.39-1-57, M.G.Road, Vijayawada, NTR, Andhra Pradesh, 520010	BVR Malls Private Limited	Rented	Lease agreement dated May 05, 2024 Term: Nin years effective from 15.05.2024 till 14.05.2033 Rent: Minimum guarantee rent of Rs. 1,32,800/- p.m. with escalation of 15% every year + revenue sharing 12% of the net revenue generated as per LBR (payable only if share exceeds the aforementioned MG rent)	Exclusiv e Brand Outlet
22.	Second Floor, Unit No. SF-223, Nexus Hyderabad Mall, SY. No. 1009 , KPHB Colony, Kukatpally, Hyderabad, Medchal Malkajgiri, Telangana, 500072	Nexus Hyderabad Retail Pvt. Ltd.	Rented	Lease term: 5 yrs. W.e.f. June 29, 2024 with lockin period of 36 months Rent: Rs. Minimum guaranteed rent of Rs. 240/- per sq. ft. per month (for first 3 yrs.) Rs. 276/- per sq. ft. per month (for yr. 4th and 5th)	Exclusiv e Brand Outlet
23.	Second Floor, Unit No. SF-223, Nexus Hyderabad Mall, SY.	Nexus Hyderabad Retail Pvt. Ltd.	Rented	Lease term: 5 yrs. W.e.f. June 29, 2024 with lockin period of 36 months Rent: Rs. Minimum guaranteed rent of Rs. 240/- per sq.	Exclusiv e Brand Outlet

SWEET DREAMS

	No. 1009 , KPHB Colony, Kukatpally, Hyderabad, Medchal Malkajgiri, Telangana, 500072			ft. per month (for first 3 yrs.) Rs. 276/- per sq. ft. per month (for yr. 4th and 5th)	
24	Unit No. QG of Phase 32, Ground Floor, Laxmi Industrial Estate , New Link Road, Andheri (West), Mumbai - 400053	Time Media & Entertainment Private Limited	Owned	The Agreement of sale cum transfer dated September 11, 2013 entered between Time Media & Entertainment Private Limited (transferor) and S D Retail Private Limited (Transferee) for lump sum transfer price of ₹1,25,45,000/-	Leased out
25	Shop NO. 206-207, Second Floor, Swagat Holiday Mall, Opp. Swagat Flamingo, Sargasan, Gandhinagar, Gujarat 382421	1. Tarunbhai santrambhai; 2. Gauravbhai Santrambhai; 3. Mrunalbhai Santrambhai	Rented	Lease term: 9 yrs. W.e.f. June 29, 2024 with lockin period of 108 months Rent: Minimum guarantee rent (MGR) of Rs. 90/- per sq. or 11% of revenue share whichever is higher for 3 rd year. MGR / Sq. Ft. for 4 th yr. Rs. 94.5 MGR / Sq. Ft. for 5 th yr. Rs. 99.23 MGR / Sq. Ft. for 6 th yr. Rs. 104.19 MGR / Sq. Ft. for 7 th yr. Rs. 109.40 MGR / Sq. Ft. for 8 th yr. Rs. 114.87 MGR / Sq. Ft. for 9 th yr. Rs. 120.61 From beginning of 3 rd yr and ongoing higher of minimum guarantee rent or 11% of the revenue shall be charged as rent	Leased
26	M-010, First Floor, Lulu Mall, Amar Shaheed Path, Golf City, Sultanpur Road, Gomtinagar Extension, Lucknow, Uttar Pradesh, 226010	Lulu India Shopping Mall private Limited	Rented	Agreement effective from August 26, 2024 Lease period: 6 years Lease rent: Rs. 1,30,626/- per month for first 2 years Rs. 1,74,168/- per month for 3 rd year Rs. 1,82,876/- per month for 4 th year Rs. 1,92,020/- per month for 5 th year Rs. 2,01,621/- per month for 6 th year	Leased
27	Unit No. 28, Arrival Terminal -1, SVPI Airport, Parcel - D Room, Ahmedabad, Gujarat 382475	M/s. Adani Airport Holdings Limtied	Rented	Letter of intent dated May 29, 23024 Intent Period: 3 years License Fees: 1. Minimum Monthly guarantee (MMG) Rs. 75000/-per month for 1 st year + 25% of revenue share 2. (MMG) Rs. 82,500/-per month for 2 nd year year + 25% of revenue share 3. (MMG) Rs. 90,750/-per month for 3 rd year + 25% of revenue share	Letter of intent
28	S-25, Second Floor, Z-Square Mall, M G Road, Kanpur, Uttar Pradesh 208001	Z Square Shopping Mall Pvt. Ltd.	Rented	License Agreement to commence effective from July 01, 2024 Lease period: 9 years with lock in of 3 years. License fee: Rs. 120/- per sq. ft. on super built area or 12% of net retail sales whichever is higher besides common area maintenance charge.	Leased

KEY INDUSTRY REGULATIONS

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 218 of this Red Herring Prospectus.

THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

SEBI REGULATIONS:

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

TAX RELATED REGULATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by October 30 of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Government has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are

administered by Central Board of Excise and Customs under the Ministry of Finance

State Tax on Profession, Trades, Callings and Employment Rules, 1975

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

BUSINESS/TRADE RELATED LAWS/ REGULATIONS

Technology Up-Gradation Fund Scheme

Ministry of Textiles has been implementing Technology Up-gradation Funds Scheme (“TUFS”) since 1999 to facilitate technology upgradation of textiles industry in the country. TUFS aims at making available funds to the domestic textile industry of existing units as well as to set up new units with state-of-the-art technology so that its viability and comprehensiveness in the domestic as well as international markets may enhance. TUFS provides for interest reimbursement/capital subsidy/margin money subsidy and has been devised to bridge the gap between the cost of interest and the capital component to ease up the working capital requirement and to reduce the transaction cost, etc. TUFS is an important tool to infuse financial support to the textiles industry and help it capitalize on the vibrant and expanding global and domestic markets, through technology up-gradation, cost effectiveness, quality production, efficiency and global competitiveness.

National Textile Policy, 2000

The National Textile Policy, 2000 (“NTP 2000”) aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing and to equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market. NTP 2000 aims at developing a strong and vibrant textile industry that can produce quality products at acceptable prices. This objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. Major thrust areas of NTP 2000 include increase in exports and innovating marketing strategies, product diversification along with quality consciousness, among others. Additionally, certain sector specific initiatives envisaged under the NTP 2000 include initiatives regarding improving the availability, productivity and quality of raw materials at reasonable prices for the industry, improving the production, productivity and quality of cotton. Initiatives were also proposed for the spinning sector, weaving sector, organised mill industries, powerloom industry, knitting sector, processing and finishing sector for achieving ISO 9000 and ISO 14000 standards. Export specific reforms were also proposed in order to be consistent with World Trade Organization norms. Ministry of Textiles is contemplating a New Textile Policy which has not been finalized and it is at draft stage. The New Textile Policy, inter alia, will give thrust on enhancing export performance and creating better employment opportunities. The New Textile Policy is being formulated by holding widespread consultations with various associations, industry bodies, State Governments and other stakeholders representing subsectors viz. Cotton, Silk, Jute Wool, Handloom, Handicrafts, Powerloom etc.

Production-Linked Incentive Scheme in Textiles Products

In November 2020, the Union Cabinet approved the introduction of the Production-Linked Incentive Scheme in Textiles Products to enhance India’s Manufacturing Capabilities as well as Exports. An amount of ₹ 10,683 crore has been approved as an outlay for a period of 5 years. This initiative will be implemented by the Ministry of Textile and is expected to cover forty product categories under man-made fiber.

Textiles Committee Act, 1963

The Textiles Committee Act, 1963 (“TCS”) came into force on August 22, 1964. A textiles committee (“Textiles Committees”) has been established under TCS with the primary objective of ensuring a standard quality of textiles both for domestic and export markets as well as standardization of the type of textile machinery used for production. The Textiles Committee’s functions include, among others, the promotion of Indian textiles and textile exports, researching in technical and economic fields, establishing standards for Indian textiles and textile machinery, setting up of laboratories, and data collection. Additionally, the Textiles Committee regulates the imposition of cess on textile and textile machinery that is manufactured in India under TCS.

Textile (Development and Regulation) Order, 2001

The Textile (Development and Regulation) Order, 2001 (“Textile Order”) was brought into force by the Central Government under Section 3 of the Essential Commodities Act, 1955 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner. The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade Marks Act, 1999, except under and limited to the extent of specific authorization by the holder of or applicant for such brand or tradename.

Indecent Representation of Women Act, 1986 (“IRWA”)

The IRWA prohibits indecent representation of women through advertisements, publications, writings, paintings, figures or in any other manner. It states that no person shall publish or release any advertisements involving an obscene portrayal of women or agree to participate in the publication or show, in any form. The Indecent Representation of Women (Prohibition) Amendment Bill, 2012 (“IRW Amendment Bill”) was introduced in the Rajya Sabha in December, 2012 which referred the Bill to the department-related Parliament Standing Committee for consideration. Observations made by a Parliamentary Standing Committee and recommendations from the National Commission for Women (NCW) intend to widen the scope of the Act in order to include indecent representation of women on digital platforms, audiovisual and electronic communications media and to address the issue of female objectification. IRW Amendment Bill also enhances penalties for various offences. The IRW Amendment Bill is currently pending.

Consumer Protection (E-Commerce) Rules, 2020 (the “E-commerce Rules”)

The E-Commerce Rules regulate the marketing, sale and purchase of goods and services over a digital or electronic network. It restricts the use of any unfair trade practice by e-commerce entities and mandates the establishment of an adequate grievance redressal mechanism and the appointment of a grievance officer. Further, the E-Commerce Rules required all e-commerce entities to appoint a nodal person of contact or an alternate senior designated functionary to ensure compliance with its provisions. Contravention of the E-Commerce Rules will attract penal action in accordance with the Consumer Protection Act, 2019.

Draft National E-Commerce Policy 2019

Draft National E-Commerce Policy Prepared by Government of India addresses six broad areas of the e-commerce ecosystem viz. data, infrastructure development, e-commerce marketplaces, regulatory issues, stimulating domestic digital economy and export promotion through ecommerce. The Policy takes into account interests of all stakeholders including investors, manufacturers, MSMEs, traders, retailers, startups and consumers. The National E-Commerce Policy has been formulated with a vision to provide a level-playing field to all stakeholders, including the individual consumers and MSMEs and start-ups.

Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act also includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

Section 94 of the Consumer Protection Act, 2019 deals with measures to prevent unfair trade practices in e-commerce, direct selling, etc. it states that for the purposes of preventing unfair trade practices in e-commerce, direct selling and also to protect the interest and rights of consumers, the Central Government may take such measures in the prescribed manner.

ENVIRONMENT LAWS:

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international

efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:—

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

Environmental Legislations

The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”), Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”), aim to prevent, control and abate pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. The Water Act aims to prevent and control water pollution and to maintain or restore water purity and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board. The Forest (Conservation) Act, 1980 (“FCA”) read with Forest (Conservation) Rules, 2003 aim to preserve forest land and provide for restriction on the deforestation of forests or use of forest land for non-forest purpose and requires prior approval for use of forest land for any non-forest purpose. The Environment (Protection) Act, 1986 read with Environment (Protection) Rules, 1986 aim to protect and improve the environment and provide rules for prevention, control and abatement of environment pollution and impose obligation for proper handling, storage, treatment, transportation and disposal of hazardous wastes.,

The Noise Pollution (Regulation and Control) Rules, 2000

These Noise Pollution (Regulation and Control) Rules, 2000 (“Noise Pollution Rules”) were constituted to regulate and control noise producing and generating sources with the objective of maintaining the ambient air quality standards in respect of noise and were considered necessary as increasing ambient noise levels in public places from various sources, inter-alia, industrial activity, construction activity, (fire crackers, sound producing instruments), generator sets, loud speakers, public address systems, music systems, vehicular horns and other mechanical devices have deleterious effects on human health and psychological well-being of the people. The Noise Pollution Rules provide ambient air quality criteria with respect of noise for different areas/zones. The Noise Pollution Rules further provide powers to the authority to enforce the noise control measures in the areas/zones. The Noise Pollution Rules provide modes of making complaints to the authority in case noise levels exceed the ambient noise standards along with penalties and liabilities on account of violations in the silence zones/areas.

Environment Impact Assessment Notification of 2006

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of

Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder.

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

Duty Drawback Scheme

The duty drawback scheme is an option available to exporters. Under this scheme, exporter of goods is allowed to take back refund of money to compensate him for excise duty paid on the inputs used in the products exported by him. It neutralizes the duty impact in the goods exported. Relief of customs and central excise duties suffered on the inputs used in the manufacture of export product is allowed to exporters. The admissible duty drawback amount is paid to exporters by depositing it into their nominated bank account. Section 75 of the Customs Act, 1962 and Section 37 of the Central Excise Act, 1944, empower the Central Government to grant such duty drawback. Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 (the “Drawback Rules”) have been framed outlining the procedure to be followed for the purpose of grant of duty drawback (for both kinds of duties suffered) by the customs authorities processing export documentation. Under duty drawback scheme, an exporter can opt for either all industry rate of duty drawback scheme or brand rate of duty drawback scheme.

The all industry rate of duty drawback scheme essentially attempts to compensate exporters of various export commodities for average incidence of customs and central excise duties suffered on the inputs used in their manufacture. Brand rate of duty drawback is granted in terms of rules 6 and 7 of the Drawback Rules in cases where the export product does not have any all industry rate or duty drawback rate, or where the all industry rate duty drawback rate notified is considered by the exporter insufficient to compensate for the customs or central excise duties suffered on inputs used in the manufacture of export products. For goods having an all industry rate, the brand rate facility to particular exporters is available only if it is established that the compensation by all industry rate is less than 80% of the actual duties suffered in the manufacture of the export goods.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

Laws related to Overseas Investment by Indian Entities:

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI have vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

Foreign Trade Policy 2023:

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services.

LAWS RELATED TO EMPLOYMENT OF MANPOWER:**The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

The Industrial Relations Code, 2020 ("Industrial Code")

The Ministry of Law and Justice, with an intent to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute, has introduced the Industrial Code. The Code provides that the Central Government may repeal the provisions of the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 and may supersede them with the applicability of any provision of the Industrial Code. The Industrial Code is a central legislation and extends to the whole of India. The Industrial Code empowers the Central Government to require an establishment in which one hundred or more workers are employed or have been employed on any day in the preceding twelve months to constitute a works committee consisting of representatives of employer and workers engaged in the establishment. The code further requires every establishment with twenty or more workers to have grievance redressal committees for resolution of disputes arising out of individual grievances. The code bars the jurisdiction of civil courts to any matter to which the provisions of the Industrial Code apply, and provides for establishment of industrial tribunals for adjudication of such matters. The Industrial Code provides for provisions pertaining to lay-off and retrenchment of employees and closure of establishments and compensation provisions in relation thereto. The Industrial Code provides for monetary fines, penalties and imprisonment in case of contravention of the provisions of the code.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain

prescribed records and registers.

Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- Apprentices Act, 1961

LAWS RELATING TO INTELLECTUAL PROPERTY

Copyright Act, 1957 (“Copyright Act”)

Artistic works and various rights including ownership and economic rights are conferred on the author and are protected under Copyright Act, 1957. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire.

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.

OTHER GENERAL RULES AND REGULATIONS:

The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every

micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

State Laws

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Other regulations:

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

PROPERTY RELATED LAWS

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

HISTORY AND CORPORATE STRUCTURE

Brief History and Background

Our Company was originally incorporated as “S D Retail Private Limited” vide registration no. 146313 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 14, 2004 issued by Registrar of Companies, Mumbai, Maharashtra. Further, the registered office of our Company was shifted from Mumbai, Maharashtra to Ahmedabad, Gujarat w.e.f. February 9, 2009. Subsequently our Company was converted into Public Limited Company and name of company was changed from “S D Retail Private Limited” to “S D Retail Limited” vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate Identity Number of our Company is U52520GJ2004PLC056076.

Our Company was originally promoted by Ms. Nishu Jitendra Negandhi and Mr. Hitesh Pravinchandra Ruparelia who were the initial subscribers to the Company’s Memorandum and Articles of Association. Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, Sweet Dreams Loungewear (India) LLP, Grace Garments LLP are the present promoters of our Company.

As on date of this Red Herring Prospectus, our Company has 15 shareholders.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “Industry Overview”, “Business Overview”, “Our Management”, “Financial information of our company” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 124, 137, 175, 194, and 196 respectively.

Address of Registered Office:

The Registered Office of the Company is situated at C-929, Stratum at venus ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi, Ahmedabad, Gujarat-380006, India.

Changes in Registered Office of the Company since incorporation

There has not been any change in our Registered Office since incorporation till date of this Red Herring Prospectus except below change:

From	To	With effect from	Reason for Change
134, Laxmi Plaza, Laxmi Industrial Estate, Near Fun Republic, Link Road Andheri (w), Mumbai, Maharashtra - 400053, India	136, Laxmi Plaza, Laxmi Industrial Estate, Near Fun Republic, Link Road, Andheri (w), Mumbai, Maharashtra-400053, India	29/02/2008	For Administrative Convenience
136, Laxmi Plaza, Laxmi Industrial Estate, Near Fun Republic, Link Road, Andheri (w), Mumbai, Maharashtra-400053, India	Khemka House, 6th Floor, Near Drive in Cinema, Thaltej, Ahmedabad-380054, Gujarat, India	09/02/2009	For Administrative Convenience
Khemka House, 6th Floor, Near Drive in Cinema, Thaltej, Ahmedabad-380054, Gujarat, India	Block No. B-602, Sapath-4, Opp. Karnavati Club, Prahalad Nagar, Satellite, Ahmedabad-380051, Gujarat, India	01/04/2009	For Administrative Convenience
Block No. B-602, Sapath-4, Opp. Karnavati Club, Prahalad Nagar, Satellite, Ahmedabad-380051, Gujarat, India	Survey No.177, Nr. Sml Isuzu, B/H Krishna Mandir Bhammariya Kuva, Lambha, Laxmipura, Ahmedabad-382405 Gujarat, India	13/05/2014	For Administrative Convenience
Survey No.177, Nr.Sml Isuzu, B/H Krishna Mandir Bhammariya Kuva, Lambha, Laxmipura , Ahmedabad-382405, Gujarat, India	C-929, Stratum at venus ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi (Ahmedabad), Ahmedabad-380006, Gujarat, India	01/05/2024	For Administrative Convenience

Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

To promote, set up operate, acquire, advise, manage the business of branded consumer products through retail outlets, networks,

websites, supply chains, depots, godowns, processing centres, finishing centres in India and abroad.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Increase in Authorised Capital of the Company from Rs. 1,00,000 (One Lakh) divided into 10,000 (Ten Thousand) equity shares of Rs. 10/- (Ten) each to Rs. 1,00,00,000 (One Crore) divided into 10,00,000 (Ten Lakh) equity shares of Rs. 10/- (Ten) each	March 20, 2006	Extra-Ordinary General Meeting
2.	Increase in Authorised Capital of the Company from Rs. 1,00,00,000 (One Crore) divided into 10,00,000 (Ten Lakh) equity shares of Rs. 10/- each to Rs. 2,25,00,000 (Two Crore Twenty five Lakh) divided into 22,50,000 equity shares of Rs. 10/- (Ten) each	January 24, 2014.	Extra-Ordinary General Meeting
3	Deletion of other object clause and Amendment of Liability Clause of Memorandum of Association	March 27, 2015	Extra-Ordinary General Meeting
4.	Increase in Authorised Capital of the Company from Rs. 2,25,00,000 (Two Crore Twenty five Lakh) divided into 22,50,000 equity shares of Rs. 10/- (Ten) each to Rs. 20,00,00,000/- (Twenty Crore) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Ten) each.	April 27, 2024	Extra-Ordinary General Meeting
5.	Conversion of Company into Public Limited Company and change in name of company from S D Retail Private Limited to S D Retail Limited vide fresh Certificate of Incorporation issued by Central Registration Centre dated June 19, 2024	May 13, 2024	Extra-Ordinary General Meeting

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra Ordinary General Meeting of the Company dated May 13, 2024.

Major Events and Mile Stones

Year	Key Events / Milestone / Achievements
2004	Incorporation of the Company in the name of “ S D Retail Private Limited” and setting up Mumbai office.
2006	Started Modern retail with MBO’s (Multi Branch Outlets) i.e. Shopper Stop
2009	Shifted registered office and operations of Company from Mumbai to Ahmedabad
2014	Started online selling of products. Started selling online with multiple e-commerce websites
2018	Kickstarted our Exclusive Brand Outlets (EBO) journey.
2024	Converted into Public Limited Company vide fresh certificate of incorporation dated June 19, 2024.

Other Details about our Company

For details of our Company’s activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled “Business Overview”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis for Issue Price” on pages 137, 196 and 114 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “Our Management” and “Capital Structure” beginning on pages 175 and 75 of this Red Herring Prospectus respectively.

Acquisition of Business/Undertakings & Amalgamation

Except as disclosed in this Red Herring Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

Holding Company

As on the date of this Red Herring Prospectus, there is no holding company of our Company.

Subsidiary of our Company

As on the date of this Red Herring Prospectus, there are no subsidiaries of our Company.

Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled “Capital Structure” beginning on page 75 of this Red Herring Prospectus. For details of our Company’s debt facilities, please refer section “Financial Information of our Company” on page 194 of this Red Herring Prospectus.

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Injunction or restraining order

There are no injunctions/ restraining orders that have been passed against the Company.

Revaluation of Assets

Our Company has not revalued its assets since incorporation

Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Red Herring Prospectus. Furthermore, except as disclosed in chapter titled “Capital Structure” beginning on Page 75 of this Red Herring Prospectus, none of the Company’s loans have been converted into equity in the past.

Lock-out or strikes

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Red Herring Prospectus, our employees are not unionized.

Shareholders of our Company:

Our Company has 15 shareholders as on the date of this Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “Capital Structure” beginning on page 75 of this Red Herring Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled “Our Management” on page 175 of this Red Herring Prospectus.

Changes in activities of our Company during the last five (5) years

There has been no change in the business activities of our Company during last five (5) years from the date of this Red Herring Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “Management’s discussion and analysis of financial conditions & results of operations” beginning on page 196 of this Red Herring Prospectus.

Shareholders Agreement/Investment Agreement

Our Company and our Promoters, Mr. Hitesh Pravinchandra Ruparelia & Mr. Utpalbhair Pravinchandra Ruparelia has entered into shareholder’s/Investment agreement with Chanakya Corporate Services Private limited and Chanakya Value Creation LLP, dated December 5, 2017 which includes following key terms:

Pursuant to the Agreement, Chanakya Corporate Services Private limited and Chanakya Value Creation LLP has subscribed 34,750 Equity Shares each of face value ₹10/- at a price of ₹1440/- (including premium of ₹1430/-). Chanakya Corporate Services Private limited and Chanakya Value Creation LLP has invested ₹5,00,40,000/- each by way of subscribing the Equity Shares.

The total fund invested by both Chanakya Corporate Services Private limited and Chanakya Value Creation LLP (collectively known as “Investors”) is ₹10,00,80,000/- aggregating to 11.10% of pre issue capital of our Company.

In accordance with the terms of the Investor's Agreement, the shares of Investors shall rank pari passu with common equity shares in terms of voting rights and dividends. Further the Investors has certain rights and obligations, including, among others, , the right to nominate one director on Board of Directors of our Company as Nominee Director or Investor's Director.

The Agreement shall be effective from date of its execution and shall remain valid & bidding to parties until either (a) the Promoters or (b) the Investors cease to hold any equity shares of the Company. Further in the event the Investors cease to hold at least 5% of the paid up capital of the Company on fully diluted basis, then all specific rights and obligations of the Investors as expressly provided in the agreement shall fall away.

In addition to above the Investor Shareholders vide letter dated July 13, 2024 have waive their right as per Investment Agreement dated December 05, 2017 on filing of RHP in RoC.

Collaboration Agreements

As on the date of this Red Herring Prospectus, our Company is not a party to any collaboration agreements.

Material Agreement

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

OTHER AGREEMENTS

Non-Compete Agreement

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Red Herring Prospectus.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Except as mentioned in this Red Herring Prospectus, Our Company does not have any strategic partners as on the date of this Red Herring Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Red Herring Prospectus.

Corporate Profile of our Company

For details on the description of our Company's activities, the growth of our Company, please see "Business Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis of Issue Price" on pages 137, 196 and 114 of this Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors: As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors. Currently, our Company has Six (6) directors comprising, two Executive Directors, and one Non-Executive Woman Director and two Non-Executive Independent Director. The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Red Herring Prospectus:

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
1.	Mr. Hitesh Pravinchandra Ruparelia Father Name: Mr. Pravinchandra Harjivandas Ruparelia Date of Birth: May 25, 1966 Age: 58 Years Designation: Chairman & Managing Director Address: Flat No. 2, Brindavan, 1 st Floor, Suvarna Nagar Society, N.S.Road No. 5, Vile Parle, West, Mumbai-400049, Maharashtra, India Experience: 20 Years Occupation: Business Qualifications: Higher Secondary and Diploma in Computer Technology Nationality: Indian DIN: 00490790	Originally appointed on the Board as Director w.e.f. May 14, 2004. Further Re-designated as Chairman cum Managing Director w.e.f June 20, 2024 for period of five years.	47,51,120 Equity Shares; 34.52% of Paid up capital	Indian Companies- ➤ Intimate Apparel Association Of India LLP- ➤ Sweet Dreams Loungewear (India) LLP ➤ SD Fashions LLP ➤ Grace Garments LLP ➤ Shaligram Apparels LLP Foreign Companies- Nil
2.	Mr. Utpalbhai Pravinchandra Ruparelia Father Name: Mr. Pravinchandra Harjivandas Ruparelia Date of Birth: August 13, 1971 Age: 52 Years Designation: Whole Time Director Address: B-22, Shaligram Tower, Near Shivranjani Cross Road, Umiya Vijay Bus Stand, Satellite, Ahmedabad- 380015, Gujarat, India Experience: 20 Years Occupation: Business Qualifications: Bachelor of Science (2nd Year) Nationality: Indian DIN: 00300525	Originally appointed on the Board as Director w.e.f. May 14, 2004. Further Re-designated as Whole-Time Director w.e.f., June 20, 2024 for period of five years.	31,67,560 Equity Shares; 23.02% of Paid up capital	Indian Companies: Nil LLP:- ➤ Sweet Dreams Loungewear (India) LLP ➤ SD Fashions LLP ➤ Grace Garments LLP ➤ Shaligram Apparels LLP Foreign Companies- Nil
3.	Mr. Vishesh Jailesh Dalal Father Name: Mr. Jailesh Champaklal Dalal Date of Birth: December 12, 1989 Age: 34 Years Designation: Nominee Director Address: B-2302, Oberoi Springs, Off New Link Road, Opp. City Mall, Andheri (West), Azad Nagar, Mumbai- 400053, Maharashtra, India Experience: 13 Years Occupation: Professional Qualifications: Chartered Accountant and Master of Business Administration Nationality: Indian DIN: 03250002	Originally appointed on the Board as Nominee Director w.e.f. October 10, 2022	NIL	Indian Companies- ➤ Goldenpi Technologies Private Limited ➤ Ocean Drinks Private Limited LLP- ➤ Relativity Investment Advisors LLP ➤ Aspentree Advisors LLP Foreign Companies- Nil

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre-Issue)	Other Directorships
3.	Mrs. Simeran Bhasin Father Name: Mr. Devinder Bhasin Date of Birth: February 08, 1976 Age: 48 Years Designation: Non-Executive Director Address: 111, Lake Shore Homes, Off Sarjapur Road, Kasavanahalli, Carmelram, Bangalore, Bangalore South, 560035, Karnataka, India Experience: 2 Years Occupation: Business Qualifications: Bachelor of Commerce, Post Graduate Diploma in Management. Nationality: Indian DIN: 07482286	Originally appointed on the Board as Additional Director w.e.f. December 01, 2023 Further Re-designated as Non-Executive Director w.e.f. June 20, 2024	NIL	Indian Companies- ➤ Ragtagger Lifestyle Private Limited Foreign Companies- Nil
5.	Mr. Manish Kapoor Father Name: Mr. Santosh Kumar Kapoor Date of Birth: May 16, 1978 Age: 46 Years Designation: Independent Director Address: B3701, Oberoi Exquisite, Oberoi Garden City, Goregaon East, Mumbai Suburban, Maharashtra- 400063, India Experience: 10 Years Occupation: Service Qualifications: Diploma in Apparel Marketing and Merchandise Management Nationality: Indian DIN: 08415273	Originally appointed on the Board as Additional Director w.e.f. May 11, 2024 Further Re-designated as Independent Director w.e.f. June 20, 2024	NIL	Indian Companies: ➤ Pepe Jeans India Limited Foreign Companies- Nil
6.	Mr. Harshil Rajendrabhai Patel Father Name: Mr. Rajendra Kalidas Patel Date of Birth: August 24, 1984 Age: 39 Years Designation: Independent Director Address: F-203, JBR Residency, Nr. R.K. Royal Hall, Science City, Sola Road, Ahmedabad-380060, Gujarat, India Experience: 5 Years Occupation: Professional Qualifications: Chartered Accountant Nationality: Indian DIN: 09606743	Originally appointed on the Board as Additional Director w.e.f. May 11, 2024 Further Re-designated as Independent Director w.e.f. June 20, 2024	NIL	Indian Companies: Nil Foreign Companies- Nil

BRIEF PROFILE OF OUR DIRECTORS

1. Mr. Hitesh Pravinchandra Ruparelia, Chairman cum Managing Director, Age: 58 Years

Mr. Hitesh Pravinchandra Ruparelia, aged 58 years is Chairman & Managing Director and also the Promoter of our Company. He was appointed on the Board on May 14, 2004 as Director and further designated as Chairman cum managing director for a period of 5 years w.e.f June 20, 2024 He holds degree of Higher Secondary and Diploma in Computer Technology He is co-founder of S D Retail Ltd, a company that has been at the forefront of the retail industry since its inception in 1989. He has been instrumental in taking major policy decision of the Company. His contributions to S D Retail Limited go beyond day-to-day management. His foresight in recognizing the potential of the apparel sector and his ability to adapt to market changes have been key to the brand's success. His leadership style, characterized by a blend of traditional business wisdom and a keen sense of emerging market trends, has fostered a culture of innovation and resilience within the company.

2. Mr. Utpalbhai Pravinchandra Ruparelia, Whole-Time Director, Age: 52 Years

Mr. Utpalbhai Pravinchandra Ruparelia, aged 52 years is the Whole-Time Director and founding Promoter of our Company. He was originally appointed on the Board on May 14, 2004 as Director and further reappointed as Whole Time Director w.e.f. June 20, 2024. He stands as a co-founder of S D Retail Ltd, a distinguished entity in the retail sector since its establishment in 1989. He has been instrumental in offering a vast array of products that emphasize relaxation, comfort, and innovation, meeting the dynamic needs of consumers. His ability to handle a diverse product portfolio has significantly contributed to the company's reputation for quality and excellence. Under his guidance, the company has introduced a vast range of products that cater to the evolving demands of the modern consumer, ensuring that comfort and style go hand in hand.

3. Mr. Vishesh Jailesh Dalal, Nominee Director, Age: 34 Years

Mr. Vishesh Jailesh Dalal, aged 34 years is Nominee Director of our Company. He was appointed on the Board on October 01, 2022 as Nominee Director of the Company. He is qualified Chartered Accountant and holds degree of Master of Business Administration from Esade Business School. He has over 13 years of rich industrial experience in private equity, consulting, and entrepreneurship. His experience spans the full spectrum of the investment lifecycle, with a focus on shareholder value creation. His prior experience includes private equity investing in South East Asia and US with the Clermont Group, consulting and investment banking at Ernst & Young (EY) and operating an e-commerce start-up in India.

4. Mrs. Simeran Bhasin, Non-Executive Director, Age: 48 Years

Mrs. Simeran Bhasin, aged 48 years is Non-Executive Director of our Company. She was appointed on the Board as Additional Director w.e.f., December 01, 2023 and further re-designated as Non-Executive Director w.e.f. June 20, 2024. She holds degree in Bachelor of Commerce, Post Graduate Diploma in Management. She is having experience of 2 years in marketing and brand management, spanning across several industries with significant contributions to each. She has worked with various MNCs like Manipal Hotels Ltd, Titan Industries, Britannia Industries, Fastrack, Wildcraft etc. She is responsible for all the marketing related activities of the company.

5. Mr. Manish Kapoor, Non-Executive & Independent Director, Age: 46 Years

Mr. Manish Kapoor aged 46 years is Non –Executive and Independent Director of our Company. He was appointed on the Board as Additional Director w.e.f., May 11, 2024 and further re-designated as Independent Director w.e.f. June 20, 2024. He holds Diploma in Apparel Marketing and Merchandise Management qualification and having experience of 10 Years. He was appointed as Vice President of Pepe Jeans India Limited in the year 2014. Within two years he was promoted to Sales Director and headed the sales vertical for the entire business which comprises company and franchisee-owned exclusive stores, department stores, e-commerce distributions, etc. In 2019 he was promoted to Chief Executing Officer to head the entire Pepe jeans business and after that, he was promoted to the position of MD cum CEO of Pepe Jeans India Limited. As an Independent Director of our Company, he is responsible for providing his expertise in Management and compliance related matters of our Company and also provides inputs in business matters.

6. Mr. Harshil Rajendrabhai Patel, Non-Executive & Independent Director, Age: 39 Years

Mr. Harshil Rajendrabhai Patel aged 39 years is Non-Executive and Independent Director of our Company. He was appointed on the Board as Additional Director w.e.f., May 11, 2024 and further re-designated as Independent Director w.e.f. June 20, 2024. He is qualified Chartered accountant having experience of 5 Years. He is a practicing Chartered Accountant working at Harshil Patel & Co. (a Practicing Chartered Accountant firm) since 2018. He has experience in Conducting the audit and assurance services of various companies and Conducting valuation for various financial instruments. As an Independent Director of our Company, he is responsible for providing his expertise in Finance related matters of our Company.

Confirmations

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above-mentioned Directors are on the RBI list of willful defaulters or fraudulent borrower as on the date of filing of this Red Herring Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.
- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in

respect of Directors and promoters of our company.

Except as disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on Page 209 of this Red Herring Prospectus, there is no criminal cases filed or being undertaken with regard to alleged commission of any offence by any of our directors which also effected the business of our company and none of directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

Nature of any family relationship between any of our Directors:

Except Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia who are related to each other as Brothers, none of the Directors of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on June 20, 2024 authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 100 Crore (Rupees One hundred Crores only).

Compensation of our Managing Director and Whole Time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Director:

Particulars	Mr. Hitesh Pravinchandra Ruparelia	Mr. Utpalbhai Pravinchandra Ruparelia
Re-Appointment / Change in Designation	June 20, 2024	June 20, 2024
Designation	Chairman & Managing Director	Whole Time Director
Term of Appointment	5 Years	5 Years
Remuneration Payable from FY 2024-25	Upto ₹170.00 Lakhs per annum	Upto ₹130.00 Lakhs per annum
Remuneration paid for Year 2023-24	₹ 107.89 Lakhs	₹ 103.84 Lakhs

Our company does not have any Subsidiary Company.

Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit-sharing plan for our Directors.

Sitting Fee

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole- Time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Company has defined the sitting fees as per the appointment letters of Non-Executive and Independent Directors.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Hitesh Pravinchandra Ruparelia	47,51,120	34.52%
2.	Mr. Utpalbhai Pravinchandra Ruparelia	31,67,560	23.02%

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Red Herring Prospectus

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- “Compensation of our Managing Director a Whole Time Directors” above, under chapter titled “Our Management” beginning on page 175 of this Red Herring Prospectus

Our directors may also be regarded as interested to their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are interested in the Company in the following manner:

Directors	Particulars
Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia	Personal Guarantee of our Promoters for loan availed by our Company from HDFC Bank Limited amounting to ₹2346.98 Lakhs

Further our director may also be interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our directors may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “Our Management” or the section titled “Restated Financial Statement - Related Party Transactions” beginning on page 175 and 194 respectively of this Red herring Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

Interest in the property of Our Company

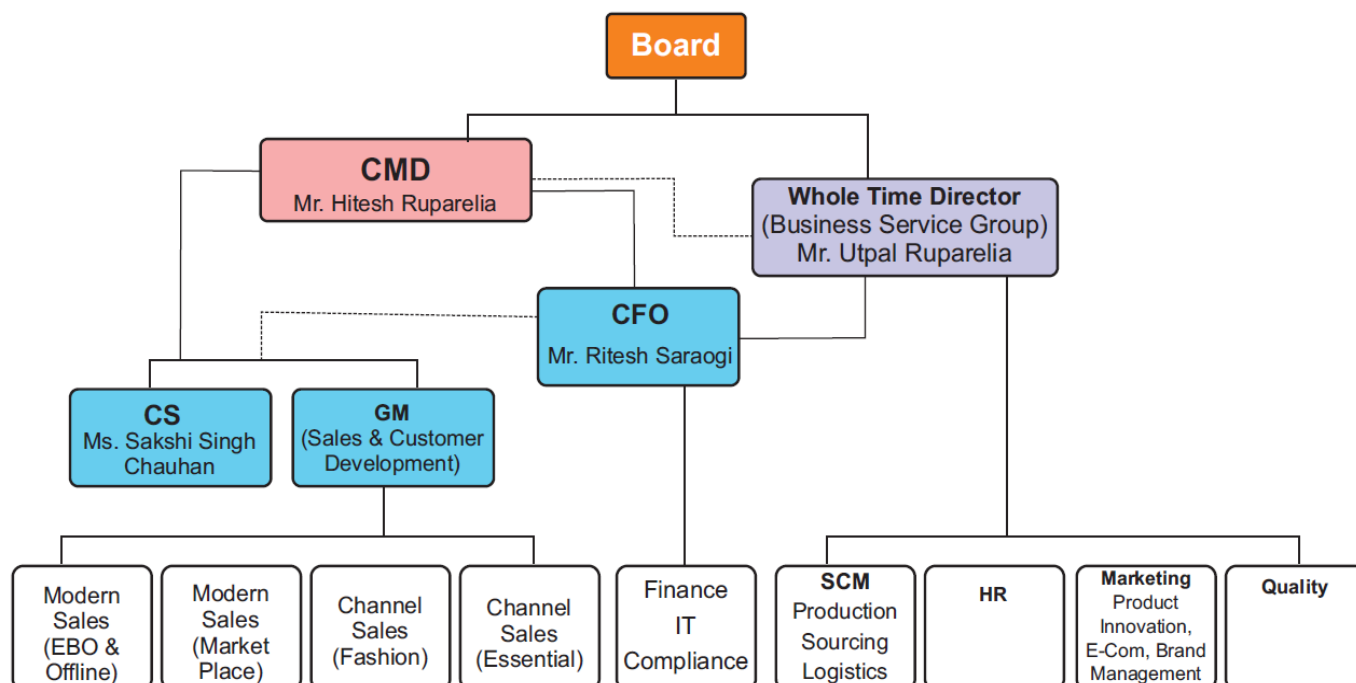
Except as disclosed above and in the chapters titled “Business Overview” and “Restated Financial Statement –Related Party Transactions” and “History and Corporate Structure” on page 137, 194 and 171 respectively of this Red Herring Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Red Herring Prospectus.

CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mr. Vishesh Jailesh Dalal	Appointed as Nominee Director w.e.f. October 01, 2022	To ensure better Corporate Governance
2.	Mr. Tejas Udaybhai Sarvaiya	Cessation from the post of Nominee Director w.e.f. October 01, 2022	Resignation
3.	Mr. Govind Shridhar Shrikhande	Cessation from the post of Director w.e.f. October 31, 2023	Resignation
4.	Mr. Hitesh Pravinchandra Ruparelia	Re-designated as Chairman cum Managing Director w.e.f. June 20, 2024	To ensure better Corporate Governance
5.	Mr. Utpalbhai Pravinchandra Ruparelia	Re-designated as Whole-Time Director w.e.f. June 20, 2024	To ensure better Corporate Governance
6.	Mrs. Simeran Bhasin	Appointed as Additional Independent Director w.e.f. December 1, 2023 Re-designated as Non-Executive Director w.e.f. June 20, 2024	To ensure better Corporate Governance
7.	Mr. Manish Kapoor	Appointed as Additional Independent Director w.e.f. May 11, 2024 Regularized as Independent Director on June 20, 2024	To ensure better Corporate Governance
8.	Mr. Harshil Rajendrabhai Patel	Appointed as Additional Independent Director w.e.f. May 11, 2024 Regularized as Independent Director on June 20, 2024	To ensure better Corporate Governance

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure: -

**COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of National Stock exchange of India Limited. The requirements pertaining to constitution of the committees such as the Audit Committee,

Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Six (6) directors of which two (2) are Independent Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Our Company has constituted the following committees:

1. Audit Committee

Our Company has constituted an Audit Committee (“Audit Committee”), vide Board Resolution dated June 20, 2024, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company’s Equity shares on SME platform of National Stock exchange of India Limited, the constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Harshil Rajendrabhai Patel	Chairman	Independent Director
Mr. Manish Kapoor	Member	Independent Director
Mr. Hitesh Pravinchandra Ruparelia	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

- Oversight of the listed entity’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
 - matters required to be included in the director’s responsibility statement to be included in the board’s report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. 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;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. 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;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated June 20, 2024. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Manish Kapoor	Chairman	Independent Director
Mr. Harshil Rajendrabhai Patel	Member	Independent Director
Mr. Utpalbhair Pravinchandra Ruparelia	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated June 20, 2024. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Harshil Rajendrabhai Patel	Chairman	Independent Director
Mr. Manish Kapoor	Member	Independent Director
Ms. Simeran Bhasin	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc
- To formulate and administer the Employee Stock Option Scheme.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of National Stock exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of National Stock exchange of India Limited. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of National Stock exchange of India Limited. The Board of Directors at their meeting held on June 20, 2024 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

Our Key Managerial Personnel

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2024 (in Rs Lakhs)	Over all experience (in years)	Previous employment
Name: Mr. Hitesh Pravinchandra Ruparelia Designation: Chairman & Managing Director Qualification: Higher Secondary and Diploma in Computer Technology	58	Chairman and Managing Director w.e.f. June 20, 2024	107.89	20 Years	--
Name: Mr. Utpalbhai Pravinchandra Ruparelia Designation: Whole Time Director Qualification: Bachelor of Science (2 nd year)	52	Whole time Director w.e.f. June 20, 2024	103.84	20 Years	--
Name: Mr. Ritesh Surendra Saraogi Designation: Chief Financial Officer Qualification: Chartered Accountant & Company Secretary	38	Appointed on May 11, 2024.	12.01	15 Years	Gayatri Bio Organics Limited
Name: Ms. Sakshi Singh Chauhan Designation: Company Secretary & Compliance Officer Qualification: Company Secretary & bachelor of Commerce	32	Appointed on June 20, 2024.	Not Applicable	2 Years	Abhishek Modi & Co.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL**1. Mr. Hitesh Pravinchandra Ruparelia, Chairman cum Managing Director, Age: 58 Years**

Mr. Hitesh Pravinchandra Ruparelia, aged 58 years is Chairman & Managing Director and also the Promoter of our Company. He was appointed on the Board on May 14, 2004 as the Director and further designated as chairman cum managing director for a period of 5 years w.e.f. June 20, 2024 He holds degree of Higher Secondary and Diploma in Computer Technology. He is co-founder of S D Retail Ltd, a company that has been at the forefront of the retail industry since its inception in 1989. He has been instrumental in taking major policy decision of the Company. His contributions to SD Retail go beyond day-to-day management.

His foresight in recognizing the potential of the apparel sector and his ability to adapt to market changes have been key to the brand's success. His leadership style, characterized by a blend of traditional business wisdom and a keen sense of emerging market trends, has fostered a culture of innovation and resilience within the company.

2. Mr. Utpalbhai Pravinchandra Ruparelia, Whole-Time Director, Age: 52 Years

Mr. Utpalbhai Pravinchandra Ruparelia, aged 52 years is the Whole-Time Director and founding Promoter of our Company. He was originally appointed on the Board on May 14, 2004 as Director and further reappointed as Whole Time Director w.e.f. June 20, 2024. He stands as a co-founder of S D Retail Ltd, a distinguished entity in the retail sector since its establishment in 1989. He has been instrumental in offering a vast array of products that emphasize relaxation, comfort, and innovation, meeting the dynamic needs of consumers. His ability to handle a diverse product portfolio has significantly contributed to the company's reputation for quality and excellence. Under his guidance, the company has introduced a vast range of products that cater to the evolving demands of the modern consumer, ensuring that comfort and style go hand in hand.

3. Mr. Ritesh Surendra Saraogi, Chief Financial Officer, Age: 38 Years

Mr. Ritesh Surendra Saraogi is the Chief Financial Officer of our Company. He is qualified Chartered Accountant and a fellow member of the Institute of Company Secretaries of India. He has experience of 15 years in the field of finance and corporate law compliances. He is currently responsible for the overall accounting function of our Company, handling cash flows, accounts, Income tax and all negotiations.

4. Ms. Sakshi Singh Chauhan, Company Secretary and Compliance Officer, Age: 32 Years

Ms. Sakshi Singh Chauhan is the Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. She has experience of 2 years in the field of secretarial and corporate law compliances. She is currently responsible for the overall Corporate Governance and secretarial Compliance and functions of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia shares Brother relationship.

Except as disclosed above none of the KMP of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year period ended March 31, 2024.
- Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Red Herring Prospectus except as under:

Sr. No.	Name of KMP	No. of Shares held	Holding in %
1.	Mr. Hitesh Pravinchandra Ruparelia	47,51,120	34.52%
2.	Mr. Utpalbhai Pravinchandra Ruparelia	31,67,560	23.02%
3.	Mr. Ritesh Surendra Saraogi	10,000	0.07%

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super

annuations, ex-gratia/rewards.

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Hitesh Pravinchandra Ruparelia	Chairman & Managing Director	Appointed as Chairman & Managing Director w.e.f. June 20, 2024	To ensure better Corporate Governance
2.	Mr. Utpalbhai Pravinchandra Ruparelia	Whole-time Director	Appointed as Whole-Time Director w.e.f. June 20, 2024	To ensure better Corporate Governance
3	Mr. Ritesh Surendra Saraogi	Chief Financial Officer	Appointed w.e.f. May 11, 2024	To ensure better Corporate Governance
4.	Ms. Poojaben shah	Company Secretary & Compliance Officer	Appointed w.e.f. May 11, 2024	To ensure better Corporate Governance
5.	Ms. Poojaben shah	Company Secretary & Compliance Officer	Resigned on June 20, 2024	For Personal Reason
6.	Ms. Sakshi Singh Chauhan	Company Secretary & Compliance Officer	Appointed w.e.f. June 20, 2024.	To ensure better Corporate Governance

INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company.

Further, our Key Managerial Personnel (KMP) are interested in the Company in the following manner:

KMP's	Particulars
Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia	Personal Guarantee of our Promoters for loan availed by our Company from HDFC Bank Limited amounting to ₹2346.98 Lakhs.

Except as provided in this Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “Annexure IX - Statement of Related Party Transaction” under chapter “Restated Financial Statement” on page 194 of this Red Herring Prospectus.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

EMPLOYEES

The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled — Business Overview beginning on page 137 of this Red Herring Prospectus.

OUR PROMOTERS & PROMOTER GROUP

Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, Sweet Dreams Loungewear (India) LLP, Grace Garments LLP, are the promoters of our Company.

As on the date of this Red Herring Prospectus, Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, Sweet Dreams Loungewear (India) LLP, Grace Garments LLP are holding 1,14,75,804 Equity Shares which constitute 83.39% of the issued and paid-up Equity Share capital of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

Details of our Promoters: -**CORPORATE PROMOTER:****1. Grace Garments LLP*****Corporate information and history***

Grace Garments LLP was originally incorporated on December 14, 1994 as 'Grace Garments Limited', a public limited company under the Companies Act, 1956 and was subsequently converted into Limited Liability Partnership under the Limited Liability Partnership Act, 2008 pursuant to a Certificate of Registration on Conversion issued by the RoC, Central Registration Centre on 30/12/2023. The Limited Liability Partnership Identification Number of Grace Garments LLP is ACE-6674. The registered office is located at 136, Panchamrut, Old Manekwadi, Bhavnagar Police Station, Bhavnagar- 364001, Gujarat, India.

Main Object/Business of LLP

To carry on the business of manufactures, importers and exporters, wholesale and retail dealers of and in men's women's and children's clothing and wearing apparel of every kind, nature and description including shirts, bush-shirts, pyjama suits, vests, underwears, suits, sleep-suits, night suits, foundation garments for ladies dresses, brasseries, maternity belts, knee-caps, coats, panties, nighties and to manufacture and deal in all type of hosiery, knitwears and fabrics and waving, knitting printing of yarns embroidery on woven and knitted clothes.

To carry on the business of manufactures, importers and exporters, wholesale and retail dealers of and in hosiery good of every kind ,nature and description for men, women, children including vests, underwears , socks, stockings, sweaters, laces and so on and of all or anything which is used in hosiery goods.

Details of Change in Control

There has been no change in the control or management of Grace Garments LLP during last three years immediately preceding the filing of the Red Herring Prospectus.

Details of Change in Activity

Grace Garments LLP has not changed its activities from the date of its incorporation.

Partners

The following table sets forth details of the partners of Grace Garments LLP as on the date of this Red Herring Prospectus:

S. No.	Name of Partner	Designation	Capital contribution (in ₹)	Profit/loss sharing ratio (%)
1	Hitesh Pravinchandra Ruparelia	Designated Partner	1022900	34.00
2	Utpalbhai Prvinchandra Ruparelia	Designated Partner	1024930	34.07
3	Hinaben Hiteshbhai Ruparelia	Partner	610110	20.28
4	Pravinchandra Ruparelia	Partner	110	0.01
5	Kashmira Ruparelia	Partner	50000	1.66
6	Meenaben Pravinchandra Ruparelia	Partner	250110	8.31
7	Neha Ruparelia	Partner	50110	1.67

Our Company confirms that the Permanent Account Number, Bank Account Number and Limited Liability Partnership Identification Number, of Grace Garments LLP along with the address of the Registrar of Companies where it was registered, shall be submitted to the Stock Exchanges at the time of filing this Red Herring Prospectus

2. Sweet Dreams Loungewear (India) LLP

Corporate information and history

Sweet Dreams Loungewear (India) LLP was originally incorporated on December 2, 2005 as 'Sweet Dreams Loungewear (India) Private Limited', a private limited company under the Companies Act, 1956 and was subsequently converted into Limited Liability Partnership under the Limited Liability Partnership Act, 2008 pursuant to a Certificate of Registration on Conversion issued by the RoC, Central Registration Centre on 07/03/2024. The Limited Liability Partnership Identification Number of Sweet Dreams Loungewear (India) LLP is ACF-9155. The registered office is located at C-929, Stratum at Venus Ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi, Ahmedabad, Gujarat-380006, India.

Main Object/Business of LLP

To undertake and carry on the business of manufacturing, trading, purchasing, selling, importing, exporting, marketing and dealing in readymade garments, suits, apparels, uniforms, baba suits, pants, shirts, trousers, night suits, boiler suits, dresses, khadi uniforms, hosiery all types of hosiery, textile and knitted garments and also to undertake job work with or without materials and also to deal in fabrics, clothes, plastic fabrics, synthetic fabrics, dressing materials, furnishing materials, handicrafts, decorative materials, woven bags, securing threads, ropes, covers, packing materials, gloves, carpets and blankets.

Details of Change in Control

There has been no change in the control or management of Sweet Dreams Loungewear (India) LLP during last three years immediately preceding the filing of the Red Herring Prospectus.

Details of Change in Activity

Sweet Dreams Loungewear (India) LLP has not changed its activities from the date of its incorporation.

Partners

The following table sets forth details of the partners of Sweet Dreams Loungewear (India) LLP as on the date of this Red Herring Prospectus:

S. No.	Name of Partner	Designation	Capital contribution (in ₹)	Profit/loss sharing ratio (%)
1	Hitesh Pravinchandra Ruparelia	Designated Partner	3599700	59.99
2	Utpalbhai Pravinchandra Ruparelia	Designated Partner	2399900	39.99
3	Pravinchandra Ruparelia	Partner	100	0.0016
4	Kashmira Ruparelia	Partner	100	0.0016
5	Hina Ruparelia	Partner	100	0.0016
6	Meenaben P Ruparelia	Partner	100	0.0016

Our Company confirms that the Permanent Account Number, Bank Account Number and Limited Liability Partnership Identification Number, of Sweet Dreams Loungewear (India) LLP along with the address of the Registrar of Companies where it was registered, shall be submitted to the Stock Exchanges at the time of filing this Red Herring Prospectus.

INDIVIDUAL PROMOTER - Mr. Hitesh Pravinchandra Ruparelia

	Mr. Hitesh Pravinchandra Ruparelia, Managing Director	
	Qualification	Higher Secondary and Diploma in Computer Technology
	Date of Birth	25/05/1966
	Age	58 Years

	Address	Flat No. 2, Brindavan, 1 st Floor, Suvarna Nagar Society, N.S. Road No. 5, Vile Parle, West, Mumbai-400049, Maharashtra, India
	Experience	20 Years
	Occupation	Business
	Permanent Account Number	ACLPR0265M
	No. of Equity Shares held in SDRL [% of Shareholding (Pre-Issue)]	47,51,120 Equity Shares of ₹ 10 each ; 34.52% of Pre- issue Paid up capital
	DIN	00490790
	Other Interests	Companies/LLP: ➤ Grace garments LLP ➤ Sweet Dreams Loungewear (India) LLP ➤ SD Fashions LLP ➤ Shaligram Apparels LLP ➤ TVH Computer & Consultants Pvt. Ltd. ➤ Intimate Apparel Association of India HUF: ➤ Hitesh Pravinchandra Ruparelia (Karta)
	Mr. Utpalbhai Pravinchandra Ruparelia, Whole-Time Director	
	Qualification	Bachelor of Science (2 nd Year)
	Date of Birth	13/08/1971
	Age	52 Years
	Address	B-22, Shaligram Tower, Near Shivrangani Cross Road, Umiya Vijay Bus Stand, Satellite, Ahmedabad-380015, Gujarat, India
	Experience	20 Years
	Occupation	Business
	Permanent Account Number	ABVPR3639N
	No. of Equity Shares held in SDRL [% of Shareholding (Pre Issue)]	31,67,560 Equity Shares of ₹ 10 each; 23.01% of Pre- issue Paid up capital
	DIN	00300525
	Other Interests	Companies/LLP: ➤ Grace Garments LLP ➤ Sweet Dreams Loungewear (India) LLP ➤ SD Fashions LLP ➤ Shaligram Apparels LLP HUF: ➤ Utpalbhai Pravinchandra Ruparelia (Karta)

Declaration

We confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of the Promoters which are available have been submitted to NSE at the time of filing of Red Herring Prospectus with them.

Present Promoters of Our Company are Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, Sweet Dreams Loungewear (India) LLP, Grace Garments LLP.

Initial subscribers to the MoA of our Company were Mr. Nishu Jitendra Negandhi and Mr. Hitesh Pravinchandra Ruparelia. For

details of the shareholding acquired by the current promoter of our Company refer the capital buildup of our Promoter under chapter “Capital Structure” beginning on page 75 of this Red Herring Prospectus.

Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.

Except as disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on Page 209 of this Red Herring Prospectus, there are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 209 of this Red Herring Prospectus.

None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the promoter group members nor our Group Company have been declared as a willful defaulter or a fraudulent borrower by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits/ Conflict of Interest

Our Corporate Promoters and our Promoter Group Companies i.e. SD Fashions LLP and Shaligram Apparels LLP are engaged in similar line of business. For further details of our Group Companies refer to Section titled “Information with respect to Group Companies” on page 231 of this Red Herring Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest in promotion of Our Company

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “Financial information of our company” and “Our Management – Interest of Directors” and “Our Management – Interest of Key Managerial Personnel” on pages 175 of this Red Herring Prospectus, respectively.

Interest in the property of Our Company

Except as mentioned in this Red Herring Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us till date of filing the Red Herring Prospectus with RoC.

Other Interest of Promoters

Our Promoters Mr. Hitesh Pravinchandra Ruparelia, Mr. Utpalbhai Pravinchandra Ruparelia, Grace Garments LLP, Sweet Dreams Loungewear (India) LLP are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoters Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia who are also the Managing Director and Whole-time Director respectively of our Company may be deemed to be interested to the extent of their remuneration/sitting fees as per the terms of their appointment and reimbursement of expenses payable to them. Our Promoters may also be deemed interested to the extent of any unsecured loan given/taken by them to/from our Company.

Further our Promoters are interested in the Company in the following manner:

Promoter	Particulars
Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia	Personal Guarantee of our Promoters for loan availed by our Company from HDFC Bank Limited amounting to ₹2346.98 Lakhs

For transaction in respect of loans and other monetary transaction entered in past please refer “Financial Information of our company” beginning on page 194 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Experience of Promoters in the line of business

Our Promoters Mr. Hitesh Pravinchandra Ruparelia and Mr. Utpalbhai Pravinchandra Ruparelia have experience of 20 years each respectively. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled “Annexure – IX- Restated Statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 194 of this Red Herring Prospectus.

Except as stated in “Annexure – IX Restated Statement of Related Party Transactions” beginning under chapter titled “Restated Financial Statements” on page 194 of this Red Herring Prospectus., and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

Payment or Benefit to Promoters of Our Company

For details of payments or benefits paid to our Promoters, please refer to the chapter titled “Our Management” beginning on page 175 of this Red Herring Prospectus. Also refer Annexure IX on “Restated Statement of Related Party Transactions” under chapter titled “Restated Financial Statements” on page 194 of this Red Herring Prospectus.

Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years

Our Promoters have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Red herring Prospectus.

Other ventures of our Promoters

Save and except as disclosed in this section titled “Our Promoters and Promoter Group” and “Information with respect of Group Companies” beginning on page 187 & 231 respectively of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Red Herring Prospectus.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 209 of this Red Herring Prospectus.

OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

SWEET DREAMS

Relationship	Hitesh Pravinchandra Ruparelia	Utpalbhai Pravinchandra Ruparelia
Father	Pravinchandra H Ruparelia	Pravinchandra H Ruparelia
Mother	Meenaben P Ruparelia	Meenaben P Ruparelia
Spouse	Hina Hieshbhai Ruparelia	Kashmiraben U Ruparelia
Brother	Utpal Pravinchandra Ruparelia	Hitesh Pravinchandra Ruparelia
Sister	-	-
Son	Gaurang Hitesh Ruparelia	Parth Utpal Ruparelia
Daughter	Gargi H Ruparelia Margi Hitesh Ruparelia	-
Spouse's Father	Late. Natvarlal Narandas Thakrar	Mahesh Jayantilal Sachdev
Spouse's Mother	Nilaben Natvarlal Thakarar	Chandrika Mahesh Sachdev
Spouse's Brother	Nipul Natvarlal Thakarar Deepak Natvarlal Thakarar	Amitbhai Maheshbhai Sachdev
Spouse's Sister	Alpa N Mavani	-

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

- Hitesh Pravinchandra Ruparelia HUF
- Utpalbhai Pravinchandra Ruparelia HUF
- TVH Computer & Consultants Pvt. Ltd.
- SD Fashions LLP
- Shaligram Apparels LLP

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in last three years and stub period. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

For details of risks in relation to our capability to pay dividend, see "Risk Factors" – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

SECTION IX - FINANCIAL INFORMATION OF OUR COMPANY**RESTATED FINANCIAL STATEMENTS**

Particulars	Page No.
Restated Financial Statement	F1 – F39

**INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED FINANCIAL
INFORMATION OF S D RETAIL LIMITED**
**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and
Allotment of Securities) Rules, 2014)**

To,

The Board of Directors,

S D Retail Limited

(Formerly known as “S D Retail Private Limited”)

C-929, Stratum at Venus Ground,

Nehrunagar, Ambawadi

Ahmedabad, Gujarat, India, 380006

Dear Sir(s),

1. We have examined the attached Restated Financial Information of S D Retail Limited (formerly known as “S D Retail Private Limited”) comprising the Restated Statement of Assets and Liabilities as at 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the year ended 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Information) as approved by the Board of Directors in their meeting held on September 06, 2024 for the purpose of inclusion in the Red Herring Prospectus/Prospectus (Here-in Offer Documents), prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) on the Emerge platform of National Stock Exchange of India Limited (NSE) and prepared in terms of the requirement of:
 - i. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) as amended (ICDR Regulations”); and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”);
 - iii. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Red Herring Prospectus/Prospectus being issued by the Company for its proposed IPO of equity shares on Emerge Platform of NSE; and
 - iv. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. (“The Guidance Note”).

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Ahmedabad, in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company for the year ended 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 05th April 2024 in connection with the proposed IPO of equity shares of the Company;
 - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and,
 - d. The requirements of Section 26 of the Act and the ICDR Regulations.Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:
 - a. Audited Financial statements of company as at and for the year ended 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 are prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India.
5. We have audited the special purpose financial information of the Company for the year ended on 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated 06/09/2024 on this special purpose financial information to the Board of Directors who have approved these in their meeting held on 06/09/2024.
6. For the purpose of our examination, we have relied on Auditors' Report issued by KKC & Associates LLP (formerly known as Khimji Kunverji & Co LLP) (the "Statutory Auditors") dt. 30th July, 2024, 26th September, 2023, 08th September 2022 for the year ended on 31st March, 2024 and year ended 31st March,

2023, 31st March, 2022 respectively. The audit was conducted by the Company's statutory auditors, and accordingly reliance has been placed on the Statement of Assets and Liabilities and Statements of Profit and Loss, the Significant Accounting Policies, and other explanatory information and (collectively, the "Audited Financial Statement") examined by them for the said periods.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The Restated Financial Information or Restated Summary Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
 - b) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
 - c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
 - d) There were no qualifications made in the Audit Reports issued by the previous auditor for the year ended on 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 which would require adjustments in this Restated Financial Statements of the Company;
 - e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in Annexure - IV to this report;
 - f) The Restated Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note. ;
 - g) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement.
 - h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement;
 - i) The Company has not paid any dividend since its incorporation.
8. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- a. The “**Restated Statement of Assets and Liabilities**” as set out in ANNEXURE – I to this report, of the Company for the year ending at 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV to this Report.
- b. The “**Restated Statement of Profit and Loss**” as set out in ANNEXURE – II to this report, of the Company for the year ending 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV to this Report.
- c. The “**Restated Statement of Cash Flow**” as set out in ANNEXURE – III to this report, of the Company for the year ending at 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV to this Report.
- d. We have also examined the following other Financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the year ending at 31st March, 2024 and year ended 31st March, 2023, 31st March, 2022 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus (“Offer Document”) for the proposed IPO.

Particulars	Annexures
Restated Statement of Share Capital	Annexure – I.1
Restated Reserves and Surplus	Annexure – I.2
Restated Statement of Long-Term Borrowing	Annexure – I.3
Restated Statement of Long-Term Provision	Annexure – I.4
Restated Statement of Short-Term Borrowing	Annexure – I.5
Restated Statement of Trade Payables	Annexure – I.6
Restated Statement of Other Current Liabilities	Annexure – I.7
Restated Statement of Short-Term Provisions	Annexure – I.8
Restated Statement of Property, Plant and Equipment & Intangible Assets	Annexure – I.9
Restated Statement of Deferred tax asset (Net)	Annexure – I.10

Restated Statement of Long-term loans and advances	Annexure – I.11
Restated Statement of Other Non-Current Assets	Annexure – I.12
Restated Statement of Inventories	Annexure – I.13
Restated Statement of Trade Receivables	Annexure – I.14
Restated Statement of Cash and Bank Balances	Annexure - I.15
Restated Statement of Short Term Loans & Advances	Annexure - I.16
Restated Statement of Other Current Assets	Annexure - I.17
Restated Statement of Revenue from Operations	Annexure - II.1
Restated Statement of Other Income	Annexure - II.2
Restated Statement of Cost of materials consumed	Annexure - II.3
Restated Statement of Changes in Inventories of Finished Goods, Work In Progress and Stock in Trade	Annexure - II.4
Restated Statement of Employee Benefit Expenses	Annexure - II.5
Restated Statement of Finance Cost	Annexure - II.6
Restated Statement of Depreciation & Amortisation	Annexure – I.9
Restated Statement of Other Expenses	Annexure - II.7
Restated Statement of Earning Per Equity Share	Annexure - II.8
Restated Significant Accounting Policies	Annexure – IV
Restated Notes to the Restated Financial Statements	Annexure – V
Restated Statement of Accounting & Other Ratios	Annexure – VI
Restated Statement of Capitalization	Annexure – VII
Restated Statement of Tax Shelter	Annexure – VIII
Restated Statement of Related Party Transaction	Annexure – IX
Restated Statement of Disclosure in terms of Accounting Standard -15	Annexure – X
Restated Statement of Dividend	Annexure – XI
Restatement in Significant Accounting Policies	Annexure – XII
Restated Statement of Contingent liabilities and Capital Commitments	Annexure – XIII

9. In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE – IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.
10. We, M/s. **V C A N & Co.**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
11. The preparation and presentation of the Restated Financial Statements referred to above are based on the Audited Financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

12. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the Financial statements referred to therein.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus to be filed with Securities and Exchange Board of India, Emerge Platform of NSE Limited and Registrar of Companies, Ahmedabad, 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.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
15. In our opinion, the above Financial information contained in ANNEXURE – I to XIII of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

For, V C A N & Co.

Chartered Accountants

FRN: 125172W

CA Saurabh Jain

Partner

M. No. 175015

UDIN: 24175015BKCIVK5430

Place: Ahmedabad

Date: 06/09/2024

ANNEXURE - I
RESTATED STATEMENT OF ASSETS & LIABILITIES

(₹ in Lakhs)

	Particulars	Note	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
I	EQUITY AND LIABILITIES				
	1. Shareholders' funds				
	(a) Share Capital	I.1	125.11	62.56	62.56
	(b) Reserves and surplus	I.2	4,054.87	3,357.66	2,927.49
	2. Non-current liabilities				
	(a) Long-term borrowings	I.3	-	-	-
	(b) Long-term provisions	I.4	53.73	34.21	5.98
	3. Current liabilities				
	(a) Short-term borrowings	I.5	4,354.72	2,051.31	1,844.13
	(b) Trade payables	I.6			
	i) Due to MSME		939.79	546.19	464.65
	ii) Due to Others		966.50	1,514.56	1,471.38
	(c) Other current liabilities	I.7	1,515.88	1,100.99	937.45
	(d) Short-term provisions	I.8	214.93	168.18	45.92
	TOTAL		12,225.54	8,835.65	7,759.56
II.	ASSETS				
	1. Non-current assets				
	(a) Property Plant & Equipments and Intangible Assets				
	(i) Tangible Assets	I.9	477.87	291.56	269.64
	(ii) Intangible Assets		4.80	8.21	14.17
	(iii) Capital work-in-progress		-	-	-
	(b) Deferred tax asset (Net)	I.10	68.49	52.89	43.88
	(c) Long-term loans and advances	I.11	10.91	3.00	3.00
	(d) Other Non-Current Assets	I.12	276.37	97.73	55.32
	2. Current assets				
	(a) Inventories	I.13	2,586.09	2,585.37	2,316.56
	(b) Trade receivables	I.14	8,145.58	5,221.86	4,764.85
	(c) Cash and Bank Balances	I.15	402.23	69.97	51.37
	(d) Short-term loans and advances	I.16	223.53	467.58	217.75
	(e) Other Current Assets	I.17	29.67	37.47	23.01
	TOTAL		12,225.54	8,835.65	7,759.56

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached
For V C A N & Co.

Chartered Accountants

Firm's Registration No: 125172W

CA Saurabh Jain
Partner
M No.175015
UDIN: 24175015BKCIVK5430

Place : Ahmedabad
Date : 06/09/2024

For and on behalf of the Board of Directors
S D Retail Limited
(Formerly known as S D Retail Private Limited)

Hitesh Ruparelia
Managing Director
(DIN : 00490790)

Utpal Ruparelia
Director
(DIN : 00300525)

Ritesh Saraogi
Chief Financial Officer
(PAN: AZBPS5119G)
Place : Ahmedabad
Date : 06/09/2024

Sakshi Singh Chauhan
Company Secretary
(PAN: BUXPC3943A)

ANNEXURE - II
RESTATED STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

	Particulars	Note	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
I	Revenue from operations	II.1	16,255.89	13,508.81	12,852.93
II	Other Income	II.2	72.59	60.04	20.72
III	Total Income (I+II)		16,328.48	13,568.86	12,873.65
	Expenses:				
	(a) Cost of materials purchased	II.3	7,589.51	6,976.38	6,316.86
	(b) Changes in inventories of finished goods and work-in- progress	II.4	(7.47)	(308.99)	(594.09)
	(c) Employee benefits expense	II.5	1,488.38	1,486.02	1,293.39
	(d) Finance costs	II.6	292.97	196.40	170.85
	(e) Depreciation and amortisation expense	I.9	132.33	76.10	76.27
	(f) Other expenses	II.7	5,804.77	4,559.84	4,446.90
IV	Total expenses		15,300.49	12,985.75	11,710.18
V	Profit/(Loss) before tax and Exceptional Items (III-IV)		1,027.99	583.11	1,163.48
VI	Exceptional Items		-	-	-
VII	Profit/(Loss) before tax (V-VI)		1,027.99	583.11	1,163.48
VIII	Tax expense:				
	(a) Current tax expense		283.82	161.94	161.76
	(b) Short/(Excess) provision of tax for earlier years		-	-	-
	(c) Deferred tax charge/(credit)		(15.60)	(9.01)	(9.35)
	(d) (Less): MAT Credit Entitlement		-	-	-
			268.23	152.93	152.42
IX	Profit after tax for the year (VII-VIII)		759.76	430.17	1,011.06
XII	Earnings per share (face value of ₹ 10/- each):	II.8			
	(a) Basic (in ₹)		60.73	68.77	161.62
	(b) Diluted (in ₹)		60.73	68.77	161.62
	Earnings per share (face value of ₹ 10/- each): (Considering Bonus effect with retrospective effect)				
	(a) Basic (in ₹)		5.52	3.13	7.35
	(b) Diluted (in ₹)		5.52	3.13	7.35

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respective

As per our report of even date attached

For V C A N & Co.

Chartered Accountants

Firm's Registration No: 125172W

CA Saurabh Jain

Partner

M No.175015

UDIN: 24175015BKCIVK5430

For and on behalf of the Board of Directors

S D Retail Limited

(Formerly known as

Hitesh Ruparelia

Managing Director

(DIN : 00490790)

Utpal Ruparelia

Director

(DIN : 00300525)

Ritesh Saraogi

Chief Financial Officer

(PAN: AZBPS5119G)

Place : Ahmedabad

Date : 06/09/2024

Sakshi Singh Chauhan

Company Secretary

(PAN: BUXPC3943A)

Place : Ahmedabad

Date : 06/09/2024

ANNEXURE - III
RESTATED STATEMENT OF CASH FLOW

(₹ in Lakhs)

Particulars	For the Period Ended	For the year Ended	For the year Ended
	31/03/2024	31/03/2023	31/03/2022
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Extraordinary items	1,027.99	583.11	1,163.48
Adjustment For:			
(a) Depreciation and Amortization	132.33	76.10	76.27
(b) Interest Charges and borrowing cost	292.97	196.40	170.85
(c) (Gain)/Loss on Sale of Assets	(20.83)	(0.12)	(0.07)
(d) Provision for Gratuity Expense	21.55	35.87	6.90
(e) Interest income	(2.35)	(1.69)	(1.65)
(f) Expenses written off	(13.35)	(12.52)	(10.58)
Operating Profit before Working Capital Changes	1,438.29	877.15	1,405.19
Adjustment For :			
(a) (Increase)/Decrease in Inventories	(0.72)	(268.81)	(753.62)
(b) (Increase)/Decrease in Trade Receivables	(2,910.36)	(444.49)	(953.77)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	251.85	(264.29)	4.22
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	285.66	374.63	208.23
CASH GENERATED FROM OPERATIONS	(935.28)	274.18	(89.75)
Less : Direct Taxes paid	(283.82)	(161.94)	(161.76)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(1,219.11)	112.24	(251.52)
NET CASH FROM OPERATING ACTIVITIES (A)	(1,219.11)	112.24	(251.52)
B. CASH FLOW FROM INVESTING ACTIVITIES			
(a) Addition in Fixed Assets & CWIP	(336.56)	(92.25)	(90.28)
(b) Sale of Fixed Assets	42.16	0.31	0.21
(c) Interest and other income	2.35	1.69	1.65
(d) (Increase) / Decrease in Long term loans and advances	(7.91)	-	0.03
(e) (Increase) / Decrease in Non Current Assets	(178.64)	(42.41)	0.35
NET CASH FROM INVESTING ACTIVITIES (B)	(478.59)	(132.65)	(88.03)
C. CASH FLOW FROM FINANCING ACTIVITIES			
(a) Increase/(Decrease) in Long term Borrowings	-	-	(2.13)
(b) Increase/(Decrease) in Short term Borrowings	2,303.40	207.18	480.47
(d) Increase / (Decrease) in Long Term Provisions	19.52	28.24	(0.11)
(e) Interest Charges and borrowing cost	(292.97)	(196.40)	(170.85)
(f) Changes in Other Bank Balances	1.10	(1.17)	(3.01)
NET CASH FLOW IN FINANCING ACTIVITIES (C)	2,031.06	37.85	304.36
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	333.36	17.44	(35.18)
OPENING BALANCE - CASH & CASH EQUIVALENT	38.27	20.83	56.02
CLOSING BALANCE - CASH & CASH EQUIVALENT	371.63	38.27	20.83

As per our Report of even date

For V C A N & Co.

Chartered Accountants

Firm's Registration No: 125172W

CA Saurabh Jain

Partner

M No.175015

UDIN: 24175015BKCIVK5430

Place : Ahmedabad

Date : 06/09/2024

For and on Behalf of the Board

S D Retail Limited

(Formerly known as S

Hitesh Ruparelia

Managing Director

(DIN : 00490790)

Ritesh Saraogi

Chief Financial Officer

(PAN: AZBPS5119G)

Place : Ahmedabad

Date : 06/09/2024

Utpal Ruparelia

Director

(DIN : 00300525)

Sakshi Singh Chauhan

Company Secretary

(PAN: BUXPC3943A)

Annexure - I.1
Restated Statement of Share Capital
(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
<u>Authorised Capital</u>			
No. of Equity Shares of ₹ 10/- each	22,50,000	22,50,000	22,50,000
Authorised Equity Share Capital (₹ in Lakhs)	225.00	225.00	225.00
<u>Issued, Subscribed & Fully Paid up</u>			
No. of Equity Shares of ₹ 10/- each	12,51,126	6,25,563	6,25,563
Issued, Subscribed & Fully Paid up Share Capital (₹ in Lakhs)	125.11	62.56	62.56
Total	125.11	62.56	62.56

Reconciliation of the number of shares outstanding is set out below:-

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
	Number of Shares	Number of Shares	Number of Shares
Shares outstanding at the beginning of the year	6,25,563	6,25,563	6,25,563
Add:-Shares Issued during the year		-	-
Fresh Issue		-	-
Bonus Shares Issued	6,25,563	-	-
Less: Shares bought back during the year			
Other Changes (give details)		-	-
Shares outstanding at the end of the year	12,51,126	6,25,563	6,25,563

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

Authorised capital of the Company was increased to ₹ 2,000.00 Lakhs (Rupees Twenty Crores only) divided into 2,00,00,000 equity shares (Two Crores Equity Shres) of ₹ 10 each in the Extra-ordinary General Meeting of Members of the company held on May 13, 2024.

Company has allotted 6,25,563 Bonus Equity Shares on July 08, 2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on June 23, 2023.

Company has allotted 1,25,11,260 Bonus Equity Shares on May 1, 2024 in the ratio of 10:1 i.e. 10 Bonus Equity Shares for 1 each equity share held on April 26, 2024

Details of Shareholders holding more than 5 % shares:

Name of Shareholder	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Hitesh Ruparelia			
Number of Shares	4,31,920	2,15,960	2,15,960
Percentage of Holding (%)	34.52%	34.52%	34.52%
Percentage Change	100.00%	0.00%	0.00%
Utpal Ruparelia			
Number of Shares	2,87,960	1,43,980	1,43,980
Percentage of Holding (%)	23.02%	23.02%	23.02%
Percentage Change	100.00%	0.00%	0.00%
Sweet Dreams Loungewear (India) Pvt Ltd			
Number of Shares	1,30,000	65,000	65,000
Percentage of Holding (%)	10.39%	10.39%	10.39%
Percentage Change	100.00%	0.00%	0.00%
Grace Garments Ltd			
Number of Shares	1,94,284	97,142	97,142
Percentage of Holding (%)	15.53%	15.53%	15.53%
Percentage Change	100.00%	0.00%	0.00%
Chanakya Corporate Services Pvt Ltd			
Number of Shares	69,500	34,750	34,750
Percentage of Holding (%)	5.55%	5.55%	5.55%
Percentage Change	100.00%	0.00%	0.00%
Chanakya Value Creation LLP			
Number of Shares	69,500	34,750	34,750
Percentage of Holding (%)	5.55%	5.55%	5.55%
Percentage Change	100.00%	0.00%	0.00%

Details of promoters holding shares:

Name of Promoters	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Hitesh Ruparelia			
Number of Shares	4,31,920	2,15,960	2,15,960
Percentage of Holding (%)	34.52%	34.52%	34.52%
Percentage Change	100.00%	0.00%	0.00%
Utpal Ruparelia			
Number of Shares	2,87,960	1,43,980	1,43,980
Percentage of Holding (%)	23.02%	23.02%	23.02%
Percentage Change	100.00%	0.00%	0.00%
Sweet Dreams Loungewear (India) Pvt Ltd			
Number of Shares	1,30,000	65,000	65,000
Percentage of Holding (%)	10.39%	10.39%	10.39%
Percentage Change	100.00%	0.00%	0.00%
Grace Garments Ltd			
Number of Shares	1,94,284	97,142	97,142
Percentage of Holding (%)	15.53%	15.53%	15.53%
Percentage Change	100.00%	0.00%	0.00%

Annexure - I.2

Restated Statement of Reserves And Surplus

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
a. Securities Premium Reserve			
Balance at the beginning of the year	1,333.60	1,333.60	1,333.60
Add : Premium on shares issued during the year		-	-
(-) Utilized for issuance of Bonus Shares	62.56	-	-
Balance at the end of the year (a)	1,271.05	1,333.60	1,333.60
b. Surplus in Statement of Profit & Loss A/c			
Opening balance	2,024.06	1,593.88	582.82
(+) Opening adjustment		-	-
(+) Net Profit For the current year	759.76	430.17	1,011.06
Net Surplus in Statement of Profit and Loss (b)	2,783.82	2,024.06	1,593.88
Total (a+b)	4,054.87	3,357.66	2,927.49

Annexure - I.3

Restated Statement of Long Term Borrowings

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
<u>Secured (Refer I.3.1)</u>			
(a) Term loans			
Vehicle Term Loans	-	-	-
Total Secured Long Term Borrowings	-	-	-
Total	-	-	-

I.3.1 : Details of Loans taken stated under the head Secured Loans

Vehicles Loans

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose and Rate of Interest	Security Offered (Primary)	Re-Payment Schedule as per Sanction Letter	Moratorium	Outstanding amount as on (as per Books) 31/03/2024
1	Kotak Mahindra Prime Limited	22.50	Vehicle Loan and 11.71%	Hypothecation of Vehicle	Repayable in 36 EMI of ₹ 74,050	NIL	0.00
Total							0.00

Annexure - I.4
Restated Statement of Long Term Provisions
(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Provisions for Gratuity	46.31	25.95	-
Provision for Leave Encashment	7.43	8.26	5.98
Total	53.73	34.21	5.98

Annexure - I.5
Restated Statement of Short Term Borrowings
(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Secured, Loan repayable on demand (Refer Note I.5.1)			
(a) From Banks	3,779.57	1,476.16	1,264.83
Unsecured (Refer I.5.2)			
(a) Loans from Directors and Relatives			
From Directors	552.30	552.30	554.23
From Relatives of Directors	22.85	22.85	22.85
Current Maturity of long term debt (Refer Note I.3)	-	-	2.22
Total	4,354.72	2,051.31	1,844.13

I.5.1 Terms of Repayment & Nature of Security with bank:
(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose and Rate of Interest	Moratorium	Security Offered (Primary)	Re-Payment Schedule as per Sanction Letter	Outstanding amount as on (as per Books) 31.03.2024
1	HDFC Bank Limited	235.08	Working Capital Term Loan at 9.50% p.a.	1 Year	Secured by way of mortgage of Mumbai office and plot in Bhavnagar owned by the family members of promoters	Repayable in 37 EMI of ₹ 7,39,363	52.46
2	HDFC Bank Limited	1400.00	Cash Credit at 9.50% p.a.	NIL	Secured by way of mortgage of office at Mumbai and plot in Bhavnagar owned by the relatives of Promoters and further by way of first charge on Current Assets & Plant and Machinery of the Company and personal guarantee of Promoters.	On Demand	3727.11
Total							3779.57

I.5.2 : Details of Loans taken stated under the head Unsecured Loans
(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose	Rate of interest	Security Offered (Primary)	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) 31.03.2024
1	Hitesh Pravinchandra Ruparelia	NIL	Business	12% p.a.	NIL	On Demand	NIL	276.20
2	Utpal Pravinchandra Ruparelia	NIL	Business	12% p.a.	NIL	On Demand	NIL	276.10
3	Utpal Pravinchandra Ruparelia HUF	NIL	Business	12% p.a.	NIL	On Demand	NIL	22.85
Total								575.15

Annexure - I.6

Restated Statement of Trade Payable

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Micro, Small and Medium Enterprises (Refer Annexure-V, IX)	939.79	546.19	464.65
Others	966.50	1,514.56	1,471.38
Total	1,906.29	2,060.74	1,936.04

Trade Payables includes Creditors for Expenses

Ageing schedule:

Balance as at 31st March 2024

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	939.06	-	-	0.73	939.79
(ii) Others	903.16	0.56	-	-	903.72
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	62.78	-	-	-	62.78
Total	1,905.01	0.56	-	0.73	1,906.29

Balance as at 31st March, 2023

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	533.08	12.15	0.76	0.20	546.19
(ii) Others	1,358.10	7.54	0.06	8.95	1,374.65
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	139.90	-	-	139.90
Total	1,891.19	159.59	0.82	9.15	2,060.74

Balance as at 31st March 2022

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More then 3 years	Total
(i) MSME	464.45	-	-	0.20	464.65
(ii) Others	1,315.89	2.39	4.17	9.41	1,331.86
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	139.52	-	139.52
Total	1,780.34	2.39	143.70	9.61	1,936.04

Invoice date / Booking date has been considered as the due date for payment

Annexure - I.7**Restated Statement of Other Current Liabilities****(₹ in Lakhs)**

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Advances Received from Customers	171.13	132.71	52.06
Creditors for Expenses	632.96	334.33	247.95
Other payables	1.15	1.33	3.84
Payable to employees	112.63	111.52	113.03
Trade Deposits from Customers	529.70	461.51	455.32
Payable to Government Authorities	68.31	59.59	65.26
Total	1,515.88	1,100.99	937.45

Annexure - I.8**Restated Statement Short Term Provisions****(₹ in Lakhs)**

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Provision for Gratuity	35.00	33.81	23.89
Provision for Leave Encashment	1.49	1.74	1.46
Provision for MSME Interest	-	-	-
Provision for tax (Net of Advance Tax)	178.45	132.63	20.57
Total	214.93	168.18	45.92

Annexure - I.9

Restated Statement of Property Plant & Equipment and Intangible Assets

For the period ended 31st March 2024

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 01 April 2023 (a)	Additions (b)	Disposals (c)	Balance as at 31st March 2024 1=(a+b-c-d)	Balance as at 01 April 2023 (a)	Depreciation charge for the year (b)	On disposal (c)	Balance as at 31st March 2024 2=(a+b-c-d)	Balance as at 31st March 2024 (1-2)	Balance as at 31 March 2023
I.	Tangible Assets										
	Building	133.20	-	-	133.20	50.53	3.69	-	54.22	78.98	82.67
	Furniture & Fixtures	257.62	15.90	25.98	247.54	174.86	19.64	24.17	170.33	77.22	82.76
	Plant and Machinery	175.18	26.37	78.93	122.63	119.04	10.62	61.02	68.64	53.99	56.14
	Computer and Peripherals	163.08	29.65	12.85	179.88	143.33	16.50	11.82	148.01	31.87	19.74
	Office Equipments	61.66	39.07	8.91	91.82	52.92	14.51	8.34	59.08	32.74	8.75
	Vehicles	78.52	-	0.28	78.24	44.26	9.59	0.27	53.59	24.66	34.26
	Leasehold Improvement	83.71	224.19	-	307.90	76.48	53.00	-	129.48	178.42	7.23
II.	Intangible Assets										
	Software	43.57	1.38	-	44.94	35.36	4.78	-	40.14	4.80	8.21
	Trademarks	49.80	-	-	49.80	49.80	-	-	49.80	-	-
	Total (I+II)	1,046.35	336.56	126.95	1,255.95	746.58	132.33	105.62	773.29	482.67	299.77
	Previous Year	954.41	92.25	0.31	1,046.35	670.60	76.10	0.12	746.58	299.77	283.81

For F.Y. 2022-23

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 01 April 2022 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2023 1=(a+b-c-d)	Balance as at 01 April 2022 (a)	Depreciation charge for the year (b)	On disposal (c)	Balance as at 31 March 2023 2=(a+b-c-d)	Balance as at 31 March 2023 (1-2)	Balance as at 31 March 2022
I.	Tangible Assets										
	Building	133.20	-	-	133.20	46.30	4.23	-	50.53	82.67	86.91
	Furniture & Fixtures	220.98	36.64	-	257.62	152.98	21.87	-	174.86	82.76	68.00
	Plant and Machinery	159.29	15.89	-	175.18	105.34	13.70	-	119.04	56.14	53.95
	Computer and Peripherals	147.43	15.95	0.31	163.08	132.93	10.52	0.12	143.33	19.74	14.50
	Office Equipments	58.77	2.90	-	61.66	48.33	4.58	-	52.92	8.75	10.43
	Vehicles	57.65	20.87	-	78.52	32.43	11.83	-	44.26	34.26	25.22
	Leasehold Improvement	83.71	-	-	83.71	73.08	3.40	-	76.48	7.23	10.63
II.	Intangible Assets										
	Software	43.57	-	-	43.57	29.40	5.96	-	35.36	8.21	14.17
	Trademarks	49.80	-	-	49.80	49.80	-	-	49.80	-	-
	Total (I+II)	954.41	92.25	0.31	1,046.35	670.60	76.10	0.12	746.58	299.77	283.81
	Previous Year	864.47	90.28	0.34	954.41	594.53	76.27	0.20	670.60	283.81	269.94

For F.Y. 2021-22

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2021 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2022 1=(a+b-c-d)	Balance as at 01 April 2020 (a)	Depreciation charge for the year (b)	On disposal (c)	Balance as at 31 March 2022 2=(a+b-c-d)	Balance as at 31 March 2022 (1-2)	Balance as at 31 March 2021
I.	Tangible Assets										
	Building	133.20	-	-	133.20	41.85	4.45	-	46.30	86.91	91.35
	Furniture & Fixtures	186.57	34.42	-	220.98	135.52	17.46	-	152.98	68.00	51.04
	Plant and Machinery	149.80	9.49	-	159.29	89.66	15.68	-	105.34	53.95	60.14
	Computer and Peripherals	139.32	8.46	-	147.77	127.58	5.56	-	133.13	14.64	11.74
	Office Equipments	53.00	5.77	-	58.77	43.89	4.44	-	48.33	10.43	9.10
	Vehicles	42.15	15.50	0.34	57.31	27.35	5.08	0.20	32.23	25.08	14.80
	Leasehold Improvement	79.64	4.07	-	83.71	65.93	7.15	-	73.08	10.63	13.71
II.	Intangible Assets										
	Software	31.00	12.57	-	43.57	24.85	4.55	-	29.40	14.17	6.15
	Trademarks	49.80	-	-	49.80	37.90	11.90	-	49.80	-	11.90
	Total (I+II)	864.47	90.28	0.34	954.41	594.53	76.27	0.20	670.60	283.81	269.94
	Previous Year	820.16	56.00	11.69	864.47	535.09	69.87	10.43	594.53	269.94	285.07

Annexure - I.10**Restated Statement of Deferred Tax Assets****(₹ in Lakhs)**

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Deferred Tax Assets			
On account of timing difference in Net block as per books & as per Income Tax	42.04	31.32	29.62
Deferred Tax Assets			
On account of timing difference in retiral and other benefits for Employees	26.45	21.57	14.26
Total	68.49	52.89	43.88

Annexure - I.11**Restated Statement of Long-term loans and advances****(₹ in Lakhs)**

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
a. Capital Advance	10.91	0.93	0.93
b. Balance with government authorities	-	2.08	2.08
Total	10.91	3.00	3.00

Annexure - I.12**Restated Statement of Other Non-Current Asset****(₹ in Lakhs)**

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Security Deposits	276.37	96.41	54.83
Prepaid Expenses	-	1.32	0.50
Total	276.37	97.73	55.32

Annexure - I.13

Restated Statement of Inventories (Valued at Cost or NRV whichever is lower)

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
a. Raw Materials and components	383.35	390.09	430.27
b. Work-in-progress	80.64	83.38	116.80
c. Finished goods	2,122.11	2,111.90	1,769.49
Total	2,586.09	2,585.37	2,316.56

Annexure - I.14

Restated Statement of Trade receivables

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Unsecured Considered Good	8,145.58	5,221.87	4,764.85
Unsecured Considered Doubtful	173.45	156.17	168.79
Less: Allowable for bad and doubtful debts	(173.45)	(156.17)	(168.79)
Total	8,145.58	5,221.86	4,764.85

Age of receivables

(₹ in Lakhs) As at 31/03/2024

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Trade receivables - Considered good	7,532.21	425.28	65.29	34.16	75.25	8,132.20
Trade receivables - doubtful debt	-	-	-	-	-	-
Disputed						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	12.95	56.62	30.63	8.12	65.13	173.45
Total	7,545.16	481.90	95.93	42.28	140.38	8,305.65

Age of receivables

(₹ in Lakhs) As at 31/03/2023

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Trade receivables - Considered good	4,850.48	244.81	110.74	5.54	10.30	5,221.87
Trade receivables - doubtful debt	-	-	-	-	-	-
Disputed						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	16.52	8.03	49.28	10.16	72.19	156.17
Total	4,866.99	252.84	160.02	15.70	82.49	5,378.03

(₹ in Lakhs) As at 31/03/2022

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Trade receivables - Considered good	4,583.18	106.55	47.49	8.98	18.65	4,764.85
Trade receivables - doubtful debt	-	-	9.26	9.51	22.79	41.56
Disputed						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	9.73	16.25	13.67	44.78	42.78	127.22
Total	4,592.92	122.80	70.41	63.28	84.22	4,933.64

Invoice date / Booking date has been considered as the due date for payment

Annexure - I.15
Restated Statement of Cash and Bank Balances
(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
A. Cash and Cash Equivalents			
Bank Balance			
(i) In current accounts	348.53	35.05	18.53
Cash on Hand	20.03	3.22	2.30
Investment in Fixed Deposit having original maturity less than 03 months	3.07	-	-
Total (A)	371.63	38.27	20.83
B. Other Bank Balances			
(i) Investment in Fixed Deposit having original maturity more than 12 months	30.60	31.70	30.53
Total (B)	30.60	31.70	30.53
Total (A+B)	402.23	69.97	51.37

Annexure - I.16
Restated Statement of Short Term Loans And Advances
(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Balance with government authorities	91.11	292.99	101.59
Loans and Advances to Related Parties			
Advances to Related parties	-	0.18	0.85
Loans and Advances to Others			
Advances to employees	4.55	6.42	6.83
Advances given to suppliers	65.39	95.08	93.58
Advance for expenses	56.72	70.64	14.36
Loans to Employee	5.76	2.26	0.52
Total	223.53	467.58	217.75

Annexure - I.17
Restated Statement of Other current assets
(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Pre-paid expense	29.27	22.83	15.84
Security Deposit -Current	-	14.29	4.90
Other Receivables	-	-	2.00
Interest accrued but not due	0.40	0.35	0.27
Total	29.67	37.47	23.01

Annexure - II.1**Restated Statement of Revenue from operations****(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
(a) Sales of Products	16,245.27	13,489.36	12,846.46
Other Operating Revenue			
Export Incentive	10.62	19.45	6.47
Total	16,255.89	13,508.81	12,852.93
Note:			
(i) Sale of products comprises following :			
Apparels in form of Garments and Accessories	16,245.27	13,489.36	12,846.46
Total	16,245.27	13,489.36	12,846.46

Annexure - II.2**Restated Statement of Other income****(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Interest Income	2.35	1.69	1.65
Misc Income	14.91	11.30	1.64
Profit on sale of Fixed Assets	20.83	0.12	0.07
Sundry Balances written off (Net)	13.35	12.52	10.58
Foreign Exchange Fluctuation	2.57	4.11	2.42
Rent Income	18.57	17.69	4.35
Reversal of Provision for Bad & Doubtful Debts (Net)	-	12.62	-
Total	72.59	60.04	20.72

Annexure - II.3**Restated Statement of Cost of Materials Consumed****(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Opening stock of Raw Material	390.09	430.27	270.74
Purchases made during the year	7,582.77	6,936.20	6,476.39
Closing stock of Raw Material	383.35	390.09	430.27
Cost of materials purchased	7,589.51	6,976.38	6,316.86
Details of Material Consumed:			
Fabric & Accessories consumed	7,589.51	6,976.38	6,316.86

Annexure - II.4**Restated Statement of Changes in inventories of finished goods and work-in-progress****(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Inventories at the end of the year:			
(a) Finished goods	2,122.11	2,111.90	1,769.49
(b) Work-in-progress	80.64	83.38	116.80
(c) Stock-in-trade	-	-	-
	2,202.74	2,195.28	1,886.29
Inventories at the beginning of the year:			
(a) Finished goods	2,111.90	1,769.49	1,156.05
(b) Work-in-progress	83.38	116.80	136.15
(c) Stock-in-trade	-	-	-
	2,195.28	1,886.29	1,292.20
Net (increase) / decrease	(7.47)	(308.99)	(594.09)

Annexure - II.5**Restated Statement of Employee benefits expense****(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
(a) Salaries, Wages and Bonus	1,369.43	1,352.62	1,171.12
(b) Contribution to Provident and Other Funds	29.73	32.39	29.35
(c) Gratuity Expenses (Refer Annexure-X)	21.55	35.87	6.90
(d) Key Man Insurance expense (for KMP's)	60.00	60.00	60.00
(e) Staff Welfare Expenses	7.68	5.15	26.02
Total	1,488.38	1,486.02	1,293.39

Annexure - II.6**Restated Statement of Finance costs****(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Interest on			
- Bank Loans	146.63	60.53	53.55
- Unsecured Loans	100.44	101.16	90.64
- Security Deposits	18.52	19.15	18.89
- Statutory Dues	17.94	2.35	0.48
- Others	-	-	0.51
Other borrowing costs			
- Bank Charges	9.44	13.20	6.78
Total	292.97	196.40	170.85

Annexure - II.7**Restated Statement of Other expenses****(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
(A) Manufacturing Expenses			
Labour and Job Work Charges	1,072.88	1,235.86	1,150.72
Repair & Maintenance (Machinery)	5.75	9.03	9.78
Other Manufacturing Charges	30.66	75.84	30.94
(B) Admin Expenses			
Power and fuel	36.30	37.50	29.14
Cash Discount	364.27	255.67	58.77
Extra Discount (Refer Annexure-V, Point No. XIV)	1,728.98	1,118.41	1,557.92
Provision for Doubtful Debts	17.28	-	168.78
Commission	246.55	64.42	67.84
Freight and Forwarding Expense	282.79	258.78	268.32
Insurance Expense	11.68	9.28	7.87
Remuneration to Auditors (Refer Note below)	10.50	5.74	5.50
Printing and Stationery Expense	13.69	15.70	9.13
Professional and Consultancy fees	102.15	95.32	59.64
Rates and Tax	15.76	7.28	5.76
Rent Expense	374.60	160.01	132.28
General Repair & Maintenance Expense	68.45	56.65	46.44
Security expense	25.26	28.29	24.84
Director Sitting Fees	6.50	14.00	4.00
Telephone and Internet Expense	15.17	11.19	8.87
Traveling expense	317.02	302.72	174.61
Manpower Supply Charges	196.44	190.43	165.71
Miscellaneous and General Expenses	71.74	47.00	34.80
Corporate Social Responsibility (Refer Annexure-V)	11.61	9.01	-
(C) Selling and distribution expense			
Advertisement Expenses	65.43	45.73	24.19
Branding and Promotional Expense	263.02	203.35	121.65
Photo Shoot & Catalogue Expense	70.77	33.51	43.86
Promotional Event Expenses	379.52	269.15	235.55
Total	5,804.77	4,559.84	4,446.90
(i) Payments to the auditors comprises			
- Statutory Audit	5.00	5.74	5.50
- Other services	5.00	-	-
Total	10.00	5.74	5.50

Annexure - II.8**Restated Statement of Earning Per Equity Share**

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Before Exceptional Items			
1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	759.76	430.17	1,011.06
2. Weighted Average number of equity shares	12,51,126	6,25,563	6,25,563
3. Weighted average No. of Equity Shares Considering Bonus Impact (Considering Bonus with retrospective effect)	1,37,62,386	1,37,62,386	1,37,62,386
4. Basic & Diluted Earnings per Equity Share as Restated (1/2) (in ₹)	60.73	68.77	161.62
5. Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (1/3) (in ₹)	5.52	3.13	7.35

Company has allotted 6,25,563 Bonus Equity Shares on July 08, 2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on June 23, 2023.

Company has allotted 1,25,11,260 Bonus Equity Shares on May 1, 2024 in the ratio of 10:1 i.e. 10 Bonus Equity Shares for 1 each equity share held on April 26, 2024

Annexure IV

A. Background of the company:

S D Retail Private Limited (the Company) was incorporated on 14th May, 2004 having its Registered Office at C-929, Stratum at venus ground, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ambawadi, Ahmedabad, Gujarat-380006, India. Subsequently, Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on 13th May, 2024 and the name of our Company was changed to "S D Retail Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated 19th June, 2024 was issued by the Registrar of Companies, Ahmedabad. The Company is engaged in the business of manufacturing and sale of Garments and its accessories.

The Company is promoted by Director Mr. Hitesh Pravinchandra Ruparelia & Director Mr. Utpal Pravinchandra Ruparelia. The CIN No. of the Company is U52520GJ2004PLC056076.

B. Significant Accounting Policies:

a) Basis of preparation of financial statements:

(i) Basis of preparation:

These Interim Financial Statements have been prepared by the Management for the purpose of complying with the listing regulations for the proposed issue of Equity shares of the Company as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"). As a result, these Interim Financial Statements may not be suitable for another purpose.

The financial statements have been prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India (India GAAP) under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standard (AS) Notified under section 133 of the Companies Act, 2013. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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 has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

(ii) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

b) Property, plant & equipment and Depreciation:

(i) Property, plant & equipment are stated at cost of acquisition or construction after reducing accumulated depreciation (Other than Freehold Land where no depreciation is charged). Cost comprises the purchase price and any attributable cost of bringing the assets to their working condition for intended use.

(ii) Depreciation is provided on written down value method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management.

(iii) Depreciation on assets addition is provided on pro-rata basis with reference to the date of ready to use of assets.

(iv) Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss

c) Intangible Assets and Amortization:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortised on a written down value method over their estimated useful lives. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

d) Inventories:

The inventories are valued at lower of cost or net realizable value after providing for cost of obsolescence whenever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable) other costs incurred in bringing the inventories to their present location and condition. Work-in-progress and finished goods cost include material cost, cost of conversion and other costs incurred in bringing the inventories to their present location and condition, wherever applicable

e) Cash and cash equivalents:

Cash and cash equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

f) Foreign Currency Transactions:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes:

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

g) Borrowing Costs:

Borrowing costs that directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h) Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

i) Revenue Recognition:

Revenue in respect of Sales is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract with customers. Sales amount is net of returns and discounts / rebates/ mark down / unrealized revenue on part of outstanding sales on Sale or Return (SOR) basis considering previous trend of sales returns.

Interest income is recognized on time proportion basis at applicable interest rate. Export benefit in the form of duty draw back, rebate on state levies are recognized on receipt basis.

j) Employees benefits:

(i) Defined contribution plan

The Company makes defined contribution to Employee Provident Fund and ESI which are recognised in the Statement of Profit and Loss on accrual basis.

(ii) Defined benefit Plan

The Company has made the provision towards gratuity liability in the Statement of Profit & Loss as it has made contribution in its Gratuity Trust. Liability on account of company's obligation under the employee gratuity scheme is provided on the basis of actuarial valuation. The actuarial gains and losses are recognised in the Statement of Profit & Loss.

k) Taxes on income:

Tax expense comprises of current and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain, that sufficient future taxable income will be available. In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognised deferred tax assets. MAT Credits in the form of unused tax credits are not recognised in the books based on the prudence concept.

l) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

m) Earning per Share:

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders that have changed the number of equity shares outstanding, without a corresponding change in resources.

n) Statement of Cash Flows :

The Statement of Cash flows is prepared in accordance with the indirect method prescribed in Accounting Standard- 3 issued by The Institute of Chartered Accountants of India.

o) Provisions & contingent liabilities:

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date, based on the available evidence. Provisions are recognised when there is a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

ANNEXURE –V

Notes to the Re-stated Financial Statements:

I. Additional Information to the Financial Statements:-

(₹ in Lakhs)

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
1. CIF Value of Imports			
Raw Material	-	-	-
Traded Goods	109.58	-	-
Capital Goods/ Stores & Spare Parts / Machinery	-	-	-
	109.58	-	-
2. Expenditure in Foreign Currency			
- In respect of Bank Charges/Interest on Foreign Currency Loan./Buyers	-	-	-
- In respect of Foreign Travelling.	11.66	2.33	-
- Commission	1.59	-	5.03
	13.25	2.33	5.03
3. Earnings in Foreign Currency			
Exports	143.11	285.97	138.97
	143.11	285.97	138.97
Total	265.94	288.30	144.00

II. Disclosure Regarding Derivative Instruments And Unhedged Foreign Currency Exposure

(₹ in Lakhs)

Disclosure of Unhedged Balances:	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Trade payables (including payables for capital):			
In USD	-	-	-
In Euro	-	-	-
In INR	-	-	-
Trade Receivable			
In USD	-	0.01	-
In GBP	-	-	-
In EURO	-	-	-
In INR	-	0.72	-
Borrowings:			
In USD	-	-	-
In INR	-	-	-
Interest accrued but not due			
In USD	-	-	-
In INR	-	-	-

III. Segment Information

The company is having only one Geographical and one business Segment and therefore disclosure regarding segment information is not applicable to the company.

IV. As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. As per the provisions of Section 135 of the Companies Act, 2013 the Company was required to spend amount as mentioned below.

(₹ in Lakhs)

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
a). Amount Required to be spent during the year/period.	11.76	7.51	-
b). Amount of expenditure incurred,	11.61	9.01	-
c). Shortfall at the end of the year,	NIL	NIL	NIL
d). Total of previous years shortfall	NIL	NIL	NIL
e). Reasons for shortfall	-	-	-
f). Nature of CSR Activities-The Company has spent amount for Education and Medical Support to Under-privileged Children	For Education, Food to underprivileged, help to old age people & special disabled people		-

V. Additional regulatory information

(a) Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended on March 31, 2023, 2022 & 2021. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(b) Undisclosed income

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(c) Relationship with struck off companies

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2023, 2022 & 2021.

(d) Compliance with numbers of layers of companies

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2024, 2023, 2022 & 2021.

(e) Utilisation of borrowed funds and share premium

During the year ended on March 31, 2024, 2023, 2022 & 2021, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the year ended on March 31, 2024, 2023, 2022 & 2021, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(f) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(g) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

VI. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

VII. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

VIII. Material Adjustments in Restated Profit & Loss Account:**(₹ in Lakhs)**

Particulars	For the year ended 31/03/2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	769.21	452.66	995.63
Adjustments for:		-	-
Leave Enchasmment		(4.21)	0.15
Income Tax Expense	(19.58)	28.06	(1.55)
Deferred tax	4.82	(4.36)	(28.19)
Write off Expenses			
Prior Period Expenses (refer sheet attached)	-	(19.49)	39.11
Depreciation	(3.45)	(3.36)	(8.25)
Payable to Employees (PF Rebate)		(0.80)	(0.43)
CSR Expense	-	-	-
MSME Interest	13.09	(18.33)	14.54
Profit / (Loss) on Sale of Asset	(4.33)	0.00	0.04
Total Net Adjustment	-9.45	-22.48	15.43
Net Profit/ (Loss) After Tax as Restated	759.76	430.17	1,011.06

Reconciliation of restated Equity / Net worth:		(₹ in Lakhs)	
Particulars	For the year ended 31/03/2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Equity / Net worth as per Audited Financials	4,145.81	3,376.62	2,923.96
Adjustments for:			
Cummulative Impact on Profit & Loss accounts (as stated above)	34.15	43.60	66.08
Equity / Net worth as Restated	4,179.96	3,420.22	2,990.04

IX. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are delays in payment of dues to such enterprise during the year.

(₹ in Lakhs)			
Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
(a) Amount remaining unpaid to any supplier at the end of the year			
Principal	939.79	573.59	461.24
Interest due there on	33.61	20.52	14.54
(b) the amount of interest paid in terms of section 16 of MSME Act along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the year	33.61	20.52	14.54
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSME Act.	-	-	-

The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management.

- X. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

XI. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

XII. Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary.

XIII. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

XIV. Extra Discount :

Extra Discount represents allowances made to Customers towards claim of freight, Obsolete stock, promotional scheme benefits, rate difference, reconciliation differences and other re-imbursable expenses.

XV. Deferred Tax Asset / Liability: [AS-22]

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

XVI. Future Minimum Lease payment under non cancellable lease agreement in respect of operating Lease (₹ in Lakhs)

Nature of Transaction	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Within one year	311.17	90.20	98.57
After one year but not more than five years	445.28	149.91	163.44
More than five years	-	-	-

ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Net Profit as Restated (A)	759.76	430.17	1,011.06
Add: Depreciation	132.33	76.10	76.27
Add: Interest on Loan	247.07	161.69	144.19
Add: Income Tax/ Deferred Tax	268.23	152.93	152.42
Less: Other Income	(72.59)	(60.04)	(20.72)
EBITDA	1,334.80	760.85	1,363.21
EBITDA Margin (%)	8.21%	5.63%	10.61%
Net Worth as Restated (B)	4,179.98	3,420.22	2,990.04
Return on Net worth (%) as Restated (A/B)	18.18%	12.58%	33.81%
Equity Share at the end of year (in Nos.) (C)	12,51,126	6,25,563	6,25,563
Weighted Average No. of Equity Shares (in Nos.) (D)	12,51,126	6,25,563	6,25,563
Weighted Average No. of Equity Shares Considering Bonus Impact (in Nos.) (E) (Considering Bonus with retrospective effect)	1,37,62,386	1,37,62,386	1,37,62,386
Basic & Diluted Earnings per Equity Share as Restated (in ₹) (A/D)	60.73	68.77	161.62
Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (in ₹) (A/E)	5.52	3.13	7.35
Net Asset Value per Equity share as Restated (in ₹) (B/C)	334.10	546.74	477.98
Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (in ₹) (B/E)	30.37	24.85	21.73

Note:

- Company has allotted 6,25,563 Bonus Equity Shares on July 08, 2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on July 08, 2023.
- Company has allotted 1,25,11,260 Bonus Equity Shares on May 1, 2024 in the ratio of 10:1 i.e. 10 Bonus Equity Shares for 1 each equity share held on May 1, 2024.

Note:

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted average No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

Ratio Calculations

Sr. No.	Ratio	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
1	Current Ratio	1.42	1.56	1.55
2	Debt-Equity Ratio	1.04	0.60	0.62
3	Debt Service Coverage Ratio	0.28	0.35	0.66
4	Return on Equity (ROE)(%)	19.99%	13.42%	40.69%
5	Inventory Turnover Ratio	6.29	5.51	6.63
6	Trade receivables turnover ratio	2.43	2.71	3.00
7	Trade payables turnover ratio	3.82	3.72	2.96
8	Working capital turnover ratio	5.08	4.82	6.07
9	Net profit ratio(%)	4.67%	3.18%	7.87%
10	Return on capital employed (ROCE)(%)	15.61%	14.41%	27.94%
11	Return on investments(%)	7.55%	5.44%	5.70%

Variance in Ratios

Sr. No.	Ratio	As at 31/03/2024	Notes	As at March 31, 2023	Notes
1	Current Ratio	-8.53%	NA	0.63%	NA
2	Debt-Equity Ratio	73.70%	Refer A-1	-2.76%	NA
3	Debt Service Coverage Ratio	-18.05%	Refer A-2	-47.63%	Refer B-1
4	Return on Equity (ROE)(%)	48.97%	Refer A-3	-67.02%	Refer B-2
5	Inventory Turnover Ratio	14.06%	Refer A-4	-16.82%	Refer B-3
6	Trade receivables turnover ratio	-10.10%	NA	-9.86%	NA
7	Trade payables turnover ratio	2.74%	Refer A-5	25.71%	Refer B-4
8	Working capital turnover ratio	5.56%	NA	-20.69%	Refer B-5
9	Net profit ratio(%)	46.77%	Refer A-6	-59.52%	Refer B-6
10	Return on capital employed (ROCE)(%)	8.36%	NA	-48.43%	Refer B-7
11	Return on investments(%)	38.76%	Refer A-7	-4.53%	NA

Formulas Used

Current Ratio = Current assets / Current liabilities

Debt-Equity Ratio = Total Debt / Shareholder's Equity

Debt Service Coverage Ratio = Earnings available for debt service (including short term debt) / Debt Service

Return on Equity (ROE)(%) = Profit After Tax / Average Shareholder's Equity

Inventory Turnover Ratio = Net Sales / Average Inventory

Trade receivables turnover ratio = Net Credit Sales / Average Account Receivable

Trade payables turnover ratio = Net Credit Purchases/Average Accounts Payable

Working capital turnover ratio = Net Sales / Average Working Capital

Net profit ratio(%) = Net Profit / Net Sales

Return on capital employed (ROCE)(%) = Earnings before Finance Cost and Taxes / Average Capital Employed

Return on investments(%) = Income generated from Investments / Average invested funds in Intercompany deposits and other deposits

Note : A Reasons for Variations:

- 1 Debt-Equity Ratio : It is increased due to increase in Borrowings during the year
- 2 Debt Service Coverage Ratio : It is decreased due to increase in Borrowings
- 3 Return on Equity (ROE)(%) : It is increased due to increase in earnings during the year
- 4 Inventory Turnover Ratio : It is increased due to increase in sales during the year
- 5 Trade payables turnover ratio : It is increased due to increase in Purchase during the year
- 5 Net Profit ratio : It is increased due to increase in Profitability during the year
- 6 Return on Investment : It is increased due to increase in earnings during the year

Note : B Reasons for Variations:

- 1 Debt Service Coverage Ratio : It is decreased due to increase in Borrowings
- 2 Return on Equity (ROE)(%) : It is decreased due to decrease in earnings during the year
- 3 Inventory Turnover Ratio : It is primarily decreased due to increase in average inventory
- 4 Trade payable turnover ratio : It is primarily increased due to increase in Sales during the year
- 5 Working capital turnover ratio : It is decreased due to Increase in Average Working Capital
- 6 Net Profit ratio : It is decrease due to decrease in Profitability during the year
- 7 Return on capital employed (ROCE) : It is decreased due to decrease in earnings during the year

ANNEXURE –VII

Statement of Capitalization, As Restated

(₹ in Lakhs)		
Particulars	Pre-Issue	Post Issue*
	As at 31/03/2024	
Debt :		
Long Term Debt [#]	-	[●]
Short Term Debt [#]	4,354.72	[●]
Total Debt	4,354.72	[●]
Shareholders Funds		
Equity Share Capital [#]	125.11	[●]
Reserves and Surplus [#]	4,054.87	[●]
Total Shareholders' Funds	4,179.98	[●]
Long Term Debt/ Shareholders' Funds	-	[/●/]
Total Debt / Shareholders Fund	1.04	[●]

* The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished. To be updated upon finalization of the Issue Price.

These Terms shall carry the meaning as per Schedule III of The Companies Act, 2013.

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above but excludes installment of term loans repayable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2024
4. Company has allotted 6,25,563 Bonus Equity Shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on 23-06-2023.
5. Company has allotted 1,25,11,260 Bonus Equity Shares on May 1, 2024 in the ratio of 10:1 i.e. 10 Bonus Equity Shares for 1 each equity share held on April 26, 2024
6. The impact of events mentioned at point 5 above has not been taken into account for the above disclosure of information

ANNEXURE –VIII

Statement of Tax Shelter, As Restated

(₹ in Lakhs)

Particulars	For the period ended		
	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Profit Before Tax as per books of accounts (A)	1,027.99	583.11	1,163.48
-- Normal Tax rate	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	0.00%	0.00%	0.00%
Permanent differences			
Other adjustments	28.89	11.44	16.57
Total (B)	28.89	11.44	16.57
Timing Differences			
Depreciation as per Books of Accounts	132.33	76.10	76.27
Depreciation as per Income Tax	83.11	61.94	53.59
Difference between tax depreciation and book depreciation	49.22	14.16	22.68
Leave Encashment as per Books of Accounts	(1.09)	(1.64)	6.00
Gratuity Expenses as per Books of Accounts	21.55	35.87	6.90
Allowed As per Income Tax	-	-	-
Other Adjustment	-	(28.61)	5.86
Previous Year loss set off	-	-	(512.42)
Total (C)	69.68	19.78	(470.98)
Net Adjustments (D = B+C)	98.57	31.21	(454.41)
Total Income (E = A+D)	1,126.56	614.32	709.06
Brought forward losses set off (Depreciation)	-	-	-
Tax effect on the above (F)	-	-	-
Taxable Income/ (Loss) for the year/period (E+F)	1,126.56	614.32	709.06
Tax Payable for the year	283.53	154.61	178.46
Tax payable as per MAT	-	-	-
Tax expense recognised	283.82	161.94	161.76
Tax payable as per normal rates or MAT (whichever is higher)	Income Tax	Income Tax	Income Tax

ANNEXURE –IX

Statement of Related Party & Transactions :

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1	Hiteshbhai P. Ruparelia	Key Managerial Personnel
2	Utpalbhai P. Ruparelia	Key Managerial Personnel
3	Poojaben Shah (w.e.f. 11-05-2024 till 20-05-2024)	Key Managerial Personnel
4	Sakshi Singh Chauhan (w.e.f. 20-05-2024)	Key Managerial Personnel
5	Ritesh Surendra Saraogi (w.e.f. 11-05-2024)	Key Managerial Personnel
6	Pravin H. Ruparelia	Relative of KMP
7	Mina P. Ruparelia	Relative of KMP
8	Heena H. Ruparelia	Relative of KMP
9	Kashmira U. Ruparelia	Relative of KMP
10	Gargi H. Ruparelia	Relative of KMP
11	Margi H. Ruparelia	Relative of KMP
12	Parth U. Ruparelia	Relative of KMP
13	Hitesh P Ruparelia (HUF)	Relative of KMP
14	Utpal P Ruparelia (HUF)	Relative of KMP
15	Gaurang H.Ruparelia	Relative of KMP
16	SD Fashions LLP (converted w.e.f. 06-02-2024) (Formerly SD Fashions Pvt. Ltd.)	Entity in which KMP's have significant influence
17	Grace Garments LLP (converted w.e.f. 30-12-2023) (Formerly - Grace Garments Ltd.)	
18	Sweet Dreams Loungewear (India) LLP (converted w.e.f. 07-03-2024) (Formerly - Sweet Dreams Loungewear (India) Private Limited)	
19	Shaligram Apparels LLP (converted w.e.f. 12.03.2023) (Formerly Shaligram Apparels Pvt. Ltd.)	
20	TVH Computer & Consultant Pvt. Ltd.	
21	Intimate Apparels Association of India	

A) Transactions during the year:

(₹ in Lakhs)

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
(a) Salary to Relative of Director			
Pravin H. Ruparelia	5.69	5.69	5.52
Gargi H. Ruparelia	13.62	13.62	3.19
Margi H. Ruparelia	-	-	-
Mina P. Ruparelia	3.99	3.99	3.87
Parth H. Ruparelia	23.77	47.27	26.11
	-		
(b) Rent Paid	-		
Mina P. Ruparelia	1.62	1.50	1.38
Kashmira U. Ruparelia	-	-	-
	-		
(c) Loan received from Related Parties	-		
Hitesh P.Ruparelia	11.00	-	288.20
Utpal P. Ruparelia	440.00	100.00	6.00
Pravin H. Ruparelia	81.00	80.00	71.00
Mina P. Ruparelia	88.10	-	-
Kashmira U. Ruparelia	-	-	-
Hinaben H.Ruparelia	356.00	285.00	291.50
Margi H. Ruparelia	13.00	11.50	19.00
Gaurang H.Ruparelia	34.00	25.00	17.00

(₹ in Lakhs)

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
(d) Loan Repaid to Related Parties			
Hitesh P. Ruparelia	11.00	2.00	287.70
Utpal P. Ruparelia	440.00	100.00	6.00
Utpal P. Ruparelia-HUF	-	-	-
Pravin H. Ruparelia	81.00	80.00	71.00
Mina P. Ruparelia	88.10	-	-
Kashmira U. Ruparelia	-	-	-
Hinaben H. Ruparelia	356.00	285.00	291.50
Margi H. Ruparelia	13.00	11.50	19.00
Gaurang H. Ruparelia	34.00	25.00	17.00
	-		
(e) Interest Expenses From Loans Taken	-		
Hitesh P. Ruparelia	33.36	33.38	33.28
Utpal P. Ruparelia	42.64	34.85	33.12
Utpal P. Ruparelia-HUF	2.75	2.74	2.74
Pravin H. Ruparelia	4.50	6.96	6.95
Margi H. Ruparelia	0.48	0.85	0.39
Grace Garments Ltd.	-	-	-
Mina P. Ruparelia	2.50	-	-
Kashmira U. Ruparelia	-	-	-
Hinaben H. Ruparelia	12.67	19.88	13.80
Gaurang H. Ruparelia	1.53	2.49	0.36
	-		
(f) Director Remuneration	-		
Hitesh P. Ruparelia	107.89	97.34	108.11
Utpal P. Ruparelia	103.84	76.28	66.06
	-		
(g) Service Provided by Relative of KMP	-		
Gaurang H. Ruparelia	12.00	12.00	10.00
Gargi H. Ruparelia	-	-	16.20
	-		
	-		
(h) Salary to KMP	-		
Ritesh Surendra Saraogi	12.01	11.68	10.30
	-		
(i) Staff Welfare Expenses	-		
Hitesh P. Ruparelia	30.00	30.00	30.00
Utpal P. Ruparelia	25.00	25.00	25.00
Margi H. Ruparelia		-	12.95
Parth H. Ruparelia		-	1.15
(j) Reimbursement of Expenses			
Hitesh P. Ruparelia	3.37		
Ritesh Surendra Saraogi	5.00	5.00	5.00

B) Outstanding Balance Receivables / (Payables)
(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Salary/Remuneration Payable			
Pravin H. Ruparelia	0.47	0.47	0.47
Gargi H. Ruparelia	0.30	-	-
Margi H. Ruparelia	-	-	-
Parth U. Ruparelia	1.56	-	7.75
Mina P. Ruparelia	0.33	0.33	0.33
Hitesh P. Ruparelia	-	-	34.27
Utpal P. Ruparelia	-	-	21.60
Ritesh Surendra Saraogi	-	0.64	0.63
	-		
Professional Service Payable	-		
Gaurang H. Ruparelia	0.90		
	-		
Rent Payable	-		
Mina P. Ruparelia	-	-	0.06
	-		
Outstanding Unsecured Loans Taken	-		
Hitesh P. Ruparelia	276.63	276.20	278.20
Utpal P. Ruparelia	276.10	276.10	276.10
Utpal P. Ruparelia HUF	22.85	22.85	22.85
Pravin H. Ruparelia	-	-	-
Mina P. Ruparelia	-	-	-
Hina H. Ruparelia	-	-	-
	-		
Trade Payable on A/c of Entity Controlled by KMP	-		
Intimate Apparels Association of India	0.77	0.77	0.77
	-		
Advances to Related Parties (For Expenses)	-		
Utpal P. Ruparelia	-	0.11	0.68
Mina P. Ruparelia	-	-	0.10
Pravin H. Ruparelia	-	0.08	0.08
Parth U. Ruparelia	0.08	-	-
Ritesh Surendra Saraogi	0.10		
Gaurang H. Ruparelia	-	-	-
Reimbursement of Expense Payable			
Hitesh P. Ruparelia	0.43		

ANNEXURE –X
Disclosure in terms of Accounting Standard -15
Gratuity Scheme

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The benefits vest after five years of continuous service and once vested it is payable to the employees on retirement or termination of employment.

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as the end of each year. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss.

The liability towards Gratuity is determined based on actuarial valuation using the Projected Unit Credit Method which is as follows.

Particulars	For the period ended		
	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Gratuity			
Defined Benefit Obligation	113.36	95.62	61.64
Other Results			
Average Future Service	14 Years	14 Years	15 Years
Current & Non-Current Liability			
Funding Status	Funded	Funded	Funded
Fund Balance	32.06	35.86	37.75
Current Liability	35.00	33.81	23.89
Non-Current Liability	46.31	25.95	-
(i) Financial Assumptions			
Salary Escalation Rate	8 % p.a.	8 % p.a.	5 % p.a.
Discount Rate	7.22% p.a.	7.5% p.a.	7.27% p.a.
(ii) Demographic Assumptions			
Mortality Rate	Indian Assured Lives Mortality	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Attrition Rate			
For service 4 years and below	10.00% p.a.	10.00% p.a.	10.00% p.a.
For service 5 years and above	2.00% p.a.	2.00% p.a.	2.00% p.a.
Valuation Inputs			
Retirement Age	58 Years	58 Years	58 Years
Vesting Period	5 Years	5 Years	5 Years

ANNEXURE –XI

Statement of Dividends

No Dividend has been paid by the Company till Date for the F.Y. 2023-24, F.Y. 2022-23 and F.Y. 2021-22

ANNEXURE –XII

Changes in the Significant Accounting Policies

There have been no changes in the accounting policies of the company for the period covered under audit

ANNEXURE –XIII

I. Contingent Liabilities:

a. Claims against the Company (including unasserted claims) not acknowledged as debt:

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
a) Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	-	-	-
b) Related to Service Tax / GST	39.93	7.21	7.21
c) Related to Income Tax	8.04	7.18	7.18
Total	47.97	14.40	14.39

Indirect Tax:

GSTIN: 24AAICS8200M1Z7 (Gujarat)

1. M/s. S D Retail Limited (hereinafter referred to as the “Assessee”) have been issued with a system generated notice dated May 25, 2024, bearing reference No: AC241223280323J intimating a discrepancy between the input tax credit (ITC) availed in FORM GSTR-3B and the auto-generated statement in FORM GSTR-2B for December 2023 and the assessee have been alleged of claiming excess ITC of ₹ 32,71,599/-, against that available and the assessee have been required to either explain the reason of the difference or to pay the difference. The assessee have submitted its response in the matter and the same is pending for response from the concerned authority.

2. **M/s. S D Retail Limited** (hereinafter referred to as the “Assessee”) have been issued with a summary order dated January 03, 2020, bearing Reference No: ZA240120001286E, raising a demand of ₹ 7,21,068/- (₹ 3,60,534/- towards GST + ₹ 3,60,534/- towards penalty) for F.Y. 2019-20. This order falls under the Goods and Services Tax (GST) regulations, which mandate that businesses and individuals adhere to their tax liabilities. The demand was prompted by an assessment or audit discrepancy, where the tax authorities uncovered a shortfall or non-compliance with GST provisions.

The aforementioned demand amount have been paid by the assessee herein vide challan dated December 09, 2019 and an appeal has been filed before the Additional Commissioner (Appeal) –I-Grade-1, Ahmedabad, vide acknowledgement no. AD240220016456N dated February 20, 2020 and the same is pending.

Direct Tax:

1. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of ₹ 2,40,610/- is determined to be paid from Previous years till F.Y. 2023-24 against **M/s. S D Retail Limited** (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable

2. A.Y. 2020-21:

As per details available on the website of the Income Tax Department **M/s. S D Retail Limited** (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. **2021202037029581656C** dated December 18, 2021 passed u/s. 143 (1a) of the Income Tax Act, 1961, raising a demand of ₹ 4,87,320/- is pending to be paid by the assessee. For A.Y. 2020-21 and the same has been disputed by the assessee and is pending.

3. A.Y. 2013-14:

M/s. S.D. Retails Limited (Hereinafter referred to as the assessee) have been issued with a demand notice u/s. 156 of the Income Tax Act, 1961 vide notice bearing no. O.E.-II/Sr. No. 21/PG-5/2015-16 dated February 26, 2016 issued by the Deputy Commissioner of income Tax (DCIT) 11(2)(1), Mumbai raising a demand of ₹ 23,430/- for assessment made u/s. 143(3) of the Act.

The assessee have further been issued with a notice initiating penalty proceedings u/s. 271(1)(c) of the Act, vide a notice bearing no. DCIT-II(2)(1)/Penalty/2016-17 dated August 04, 2016 and an order dated August 26, 2016, have been passed against the assessee, levying **an equivalent** penalty u/s. 271(1)(c).

Aggrieved by the said penalty order, the assessee herein have filed an appeal bearing no. CIT (A), Mumbai- 60/10211/2016-17 and the same is pending under hearing.

II. Capital Commitment

(₹ in Lakhs)

Particulars	As at 31/03/2024	As at 31/03/2023	As at 31/03/2022
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	-	-

As per our report of even date attached
For V C A N & Co.
Chartered Accountants
Firm's Registration No: 125172W

CA Saurabh Jain
Partner
M No.175015
UDIN: 24175015BKCIVK5430

Place : Ahmedabad
Date : 06/09/2024

For and on behalf of the Board of Directors
S D Retail Limited(Formerly known as S D Retail Private Limited)

Hitesh Ruparelia
Managing Director
(DIN : 00490790)

Utpal Ruparelia
Director
(DIN : 00300525)

Ritesh Saraogi
Chief Financial Officer
(PAN: AZBPS5119G)
Place : Ahmedabad
Date : 06/09/2024

Sakshi Singh Chauhan
Company Secretary
(PAN: BUXPC3943A)

OTHER FINANCIAL INFORMATION**(Amount in Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Profit as Restated (A)	759.76	430.17	1,011.06
Add: Depreciation	132.33	76.10	76.27
Add: Interest on Loan	247.07	161.69	144.19
Add: Income Tax/ Deferred Tax	268.23	152.93	152.42
Less: Other Income	(72.59)	(60.04)	(20.72)
EBITDA	1,334.80	760.85	1,363.21
EBITDA Margin (%)	8.21%	5.63%	10.61%
Net Worth as Restated (B)	4,179.98	3,420.22	2,990.04
Return on Net worth (%) as Restated (A/B)	18.18%	12.58%	33.81%
Equity Share at the end of year (in Nos.) (C)	12,51,126	6,25,563	6,25,563
Weighted Average No. of Equity Shares (in Nos.) (D)	12,51,126	6,25,563	6,25,563
Weighted Average No. of Equity Shares Considering Bonus Impact (in Nos.) (E)	1,37,62,386	1,37,62,386	1,37,62,386
(Considering Bonus with retrospective effect)			
Basic & Diluted Earnings per Equity Share as Restated (in ₹) (A/D)	60.73	68.77	161.62
Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (in ₹) (A/E)	5.52	3.13	7.35
Net Asset Value per Equity share as Restated (in ₹) (B/C)	334.10	546.74	477.98
Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (in ₹) (B/E)	30.37	24.85	21.73

Note:

1. Company has allotted 6,25,563 Bonus Equity Shares on July 08, 2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on June 23, 2023.
2. Company has allotted 1,25,11,260 Bonus Equity Shares on May 1, 2024 in the ratio of 10:1 i.e. 10 Bonus Equity Shares for 1 each equity share held on April 26, 2024.

Note:-

1. EBITDA Margin = EBITDA/Total Revenues
2. Earnings per share (₹) = Profit available to equity shareholders / Weighted average No. of shares outstanding at the end of the year
3. Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
4. Net asset value/Book value per share (₹) = Net worth / No. of equity shares
5. The Company does not have any revaluation reserves or extra-ordinary items.

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page 27 and "Forward Looking Statements" beginning on page 18, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the year, March 31, 2024, March 31, 2023 and March 31, 2022 including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of our company" on Page No. 194 of the Red Herring Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.

OVERVIEW

Our company is in the business of designing, manufacturing, outsourcing, marketing, and retailing sleepwear under the brand name "SWEET DREAMS". SWEET DREAMS is a sleepwear-focused company offering a wide portfolio of stylish and comfortable sleepwear for the entire family, celebrating the transition from work to home life and catering to every aspect of downtime.

The combination of comfort, style, and functionality places SWEET DREAMS in a unique position within a habit-forming apparel category, where our clothes are worn daily by our customers in similar time-ranges. This brand is targeted primarily at the modern Indian woman's sleepwear requirements since she is most engaged with this category across various retail channels. In addition, we also sell sleepwear for men and kids, whose casual clothes are predominantly purchased by the women in the house. We offer one of the widest portfolios of sleepwear products among apparel retailers in India in terms of fabrics, colours, and styles. Our sleepwear products includes Pyjamas, Night Sets, Nighties, T-shirts, etc.

We design our products to cater to men and women across all age groups including kids (from age 2 Year to 16 Year) and fits that are suitable to various body types and physiques. In addition, we are in adjacent categories such as loungewear, workout wear, athleisure, and work leisure pants.

Our Company was originally incorporated as "S D Retail Private Limited" vide registration no. 146313 under the provisions of the Companies Act 1956 pursuant to Certificate of Incorporation dated May 14, 2004, issued by Registrar of Companies, Mumbai, Maharashtra. Further, the registered office of our Company was shifted from Mumbai, Maharashtra to Ahmedabad, Gujarat w.e.f. February 9, 2009. Subsequently our Company was converted into Public Limited Company and name of company was changed from "S D Retail Private Limited" to "S D Retail Limited" vide fresh certificate of incorporation dated June 19, 2024 issued by the Registrar of Companies, Central Registration Centre. The Corporate Identity Number of our Company is U52520GJ2004PLC056076.

We have constructed well-established infrastructural facility and manufacturing unit that is equipped with all the necessary machines and tools that are required for a modern manufacturing unit. Machinery that is equipped in our infrastructure is operated by our highly experienced team of professionals. Backed by sound manufacturing facility, we are capable of undertaking bulk requirements of our clients and deliver within stipulated time schedule. Also, our majority of our manufacturing is outsourced to the Jobworkers (on contract manufacturing basis) who manufacture products as per the design and requirement of our Company. The Contract manufacturing enable us to cater bulk orders and deliver the products to our customers on time.

We achieve varied price points through our two product lines: Essentials and Fashion. Our Essentials product line is characterized by limited print or design, is relatively insulated from changes in fashion trends, lower ASPs, high repeat purchases and is sold throughout the year. Our Fashion product line on the other hand is characterized by seasonal designs, low repeat purchases, higher ASPs and is sold seasonally (Autumn/Winter and Summer seasons).

We have a multi-channel distribution network. The table below gives a channel-wise breakup of revenue.

(₹ in Lakhs)

Particular	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	In %	Revenue	In %	Revenue	In %
EBOs	1,089.42	6.71%	498.00	3.69%	401.21	3.12%
LFSS	1734.40	10.68%	1286.94	9.54%	972.87	7.57%
MBOs/ Distributors	10,273.45	63.24%	9,820.46	72.80%	9,326.53	72.60%

SWEET DREAMS

Online Channels	2787.09	17.16%	1,274.86	9.45%	1,713.74	13.34%
Others	217.80	1.34%	370.75	2.75%	292.24	2.27%
Export	143.11	0.88%	238.34	1.77%	139.88	1.09%
TOTAL	16,245.27	100.00%	13,489.36	100.00%	12,846.46	100.00%

Notes:

(1) EBO includes kiosks and franchise stores

(2) MBOs and others include sales through multi-brand outlets and garment fairs, exhibitions, events, etc. and scrap sales.

(3) Others include sales to employees and sale of clearance stock to traders, etc.

We sold our products through distributors, exclusive brand outlets (EBOs), and multi-brand outlets (MBOs) located across various states and union territories in India. We also sell our products through e-commerce platforms such as Myntra, AJIO, Nykaa, Flipkart, Amazon, and our own website. We sell our products across India and internationally through multiple distribution channels.

We also have a vast distribution network setup with MBOs covering a large geography in India and helping us achieve scale. Our sales pipeline for General Trade differs for the Fashion and Essentials product lines. For the Fashion product line, we organize a bi-annual roadshow for our retail partners for the Summer and Autumn/Winter seasons presenting them with newest designs and booking orders at the venue. For the Essentials product line, we treat it as a replenishment product line with year-long production where our sales staff visits our retail partners periodically and books orders. Our salesforce is led by a National Sales Manager (NSM) with Regional Sales Managers (RSMs) and on ground staff. Our key SISs are manned by our own sales staff, which provides us an opportunity to have direct contact with the consumer. In the past two years, we have undertaken the journey of building a network of existing 23 exclusive brand outlets (“EBOs”) as of March 31, 2024. Our cluster-based approach to opening and operating EBOs allows us to pursue the COFO model which results in better ROI. We have learned that retailing through EBOs creates better brand recall. Our EBOs are located in airports, high streets, malls, residential market areas in major metros, and other large cities.

Sleepwear has unique characteristics that differentiate it from other apparel categories. Firstly, it is a habit-forming category where an individual’s bedtime begins with them changing into their sleepwear. As such, we like to think that we are part of our customers’ sleep rituals, i.e. activities that take place before sleeping. Secondly, we are a frequent wear and wash category where our customers laundry their sleepwear after every wear for hygiene reasons, which increases abrasion with the clothes and purchase cycles. Lastly, our pyjama sets benefit from occasion-wear habits like pyjama parties, airport outfits, and hotel stays due to an increasing trend in preference towards casual wear in younger generations. This trend not only positions us within the 70-hour/week wear-time sleepwear market but also allows us to tap into the 55-hour/week wear-time casual wear segment, potentially displacing the wear-share and wardrobe-share of the traditional casual wear with our versatile offerings. In essence, our approach is to create a product so appealing that it becomes a staple in everyday wardrobes, challenging the dominance of other casual wear categories and expanding the wear-time share and wardrobe-share of sleepwear in the fashion industry.

Our supply chain management covers several locations, including our warehouse in Ahmedabad. These facilities can handle a wide range of SKUs. By using ERP systems throughout our operations, we have been able to grow efficiently and keep track of our inventory in our warehouse. Modern equipment at these sites improves process efficiency, leading to cost savings. Good inventory management practices help us keep the right amount of stock across a variety of SKUs and our distribution network. Additionally, we use business intelligence reports from our system to watch market trends and customer preferences, which helps reduce write-offs.

Our Promoter and key managerial personnel have been instrumental in the growth of our business and actively advise us on corporate strategy and planning. We have a strong management team with significant industry experience. Our Managing Director, Mr. Hitesh Ruparelia and Whole Time Director, Mr. Utpal Ruparelia have 20 years of experience respectively in garment industry, thus vast experience of the Directors have been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoter and senior management team and their experience of over a decade in the industry in which our Company operates.

Our financial performance indicators for the last three Fiscals are as follows:

(Amount in Rs. Lakhs, except % and ratios)

Particulars	For the Period ended on		
	31-Mar-24	31-Mar-23	31-Mar-22
Revenue from Operations (₹ in Lakhs)	16,255.89	13,508.81	12,852.93
Growth in Revenue from Operations (%)	20.11%	5.10%	33.57%
Gross Profit	8673.84	6,841.42	7,130.16
Gross Profit Margin (%)	53.36%	50.64%	55.47%
EBITDA (₹ in Lakhs)	1,334.80	760.85	1,363.21
EBITDA Margin (%)	8.21%	5.63%	10.61%

Profit After Tax (₹ in Lakhs)	759.76	430.17	1,011.06
PAT Margin (%)	4.67%	3.18%	7.87%
RoE (%)	6.29%	13.42%	40.69%
RoCE (%)	15.61%	14.41%	27.94%

Notes:

(1) Revenue from operations is the total revenue generated by the company from its operations.

(2) Year-on-Year Growth in Revenue from Operations is the annual growth in revenue from operations compared with the previous year's revenue from operations. It is calculated as (Revenue from operations of the current year / Revenue from operations of the previous year) * 100.

(3) Gross Profit is Revenue from operations minus the cost of goods sold.

(4) Gross Profit Margin is calculated as (Gross Profit / Revenue from Operations) * 100.

(5) EBITDA is calculated as Profit before tax + Depreciation + Amortization + Finance cost – Other Income.

(6) EBITDA Margin is calculated as (EBITDA / Revenue from Operations) * 100.

(7) PAT (Profit After Tax) is the profit after taxes for the period.

(8) PAT Margin is calculated as (PAT / Revenue from Operations) * 100.

(9) ROCE (Return on Capital Employed) is calculated as EBIT (Profit before tax + Finance cost) divided by average capital employed ((opening capital employed + closing capital employed) / 2), where capital employed is defined as the average of Equity Fund plus debts plus lease liabilities.

(10) ROE (Return on Equity) is calculated as (PAT / Average Shareholder's Equity) ((opening equity + closing equity) / 2).

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Restated Standalone Financial Statements under chapter titled “Restated Financial Statements” beginning on page 194 of this Red Herring Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 27 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Destructions in our manufacturing process, contract manufacturing and changes in price of raw material.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Effect on our business due to seasonal sales of our Company in summer and winter season.
7. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
8. Inability to successfully obtain registrations in a timely manner or at all;
9. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
10. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
11. Recession in the market;
12. Changes in laws and regulations relating to the industries in which we operate;
13. Our ability to expand our geographical area of operation
14. Effect of lack of infrastructure facilities on our business;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
17. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
18. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. The performance of the financial markets in India and globally;
21. Any adverse outcome in the legal proceedings in which we are involved;
22. Our ability to expand our geographical area of operation;
23. Concentration of ownership among our Promoters.

RESULTS OF OUR OPERATION

Particulars	For The Year Ended 31st March					
	2024	% of Total Revenue	2023	% of Total Revenue	2022	% of Total Revenue
Revenue:						
Revenue from Operations	16,255.89	99.56	13,508.81	99.56	12,852.93	99.84
Other income	72.59	0.44	60.04	0.44	20.72	0.16
Total revenue	16,328.48	100.00	13,568.86	100.00	12,873.65	100.00
Expenses:						
Cost of Material Consumed	7,589.51	46.48	6,976.38	51.41	6,316.86	49.07
Change in Inventories of WIP, Finished Goods & Stock in Trade	(7.47)	(0.05)	(308.99)	(2.28)	(594.09)	(4.61)
Employees Benefit Expenses	1,488.38	9.12	1,486.02	10.95	1,293.39	10.05
Finance costs	292.97	1.79	196.40	1.45	170.85	1.33
Depreciation and Amortization	132.33	0.81	76.10	0.56	76.27	0.59
Other expenses	5,804.77	35.55	4,559.84	33.61	4,446.90	34.54
Total Expenses	15,300.49	93.70	12,985.75	95.70	11,710.18	90.96
Profit before exceptional and extraordinary items and tax	1,027.99	6.30	583.11	4.30	1,163.48	9.04
Exceptional Items	-	-	-	-	-	-
Profit before extraordinary items and tax	1,027.99	6.30	583.11	4.30	1,163.48	9.04
Extraordinary items	-	-	-	-	-	-
Profit before tax	1,027.99	6.30	583.11	4.30	1,163.48	9.04
Tax expense:						
Current tax	283.32	1.74	161.94	1.19	161.76	1.26
Deferred Tax	(15.60)	(0.10)	(9.01)	(0.07)	(9.35)	(0.07)
Total Tax Expenses	268.23	1.64	152.93	1.13	152.42	1.18
Profit (Loss) for the period from continuing operations	759.76	4.65	430.17	3.17	1,011.06	7.85

Review of Restated Financials

Key Components of Company's Profit and Loss Statement

Revenue from operations: Revenue from operations mainly consists from Sales of products.

Other Income: Other Income Consist of Interest Income, Profit on Sale of Fixed Assets, Rental Income, Foreign Exchange Fluctuation & Misc. Income etc.

Expenses: Company's expenses consist of, Cost of Material Consumed, Changes in Inventories of Finished Goods WIP & Stock

in Trade, Depreciation Expenses, Employee Benefit Expenses, Finance Cost & Other Expenses.

Cost of Material Consumed: Cost of Material Consumed consist of Opening Stock, Purchase of Raw Material & Closing Stock.

Changes in inventories of Finished Goods, WIP & Stock in Trade: Changes in inventories of Finished Goods, WIP & Stock in Trade consist of difference between opening & closing Value of Stock.

Employee Benefits Expense: Employee benefit expenses includes Salaries and Wages, Contribution of Provident & Other Funds, Gratuity Expenses, Keyman Insurance Policies, Staff Welfare Expenses etc.

Finance Cost: Finance Cost includes Interest paid on borrowings & Bank Charges.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Other Expenses: Other expenses includes manufacturing expenses, Power & Fuel, Discount Expenses, Commission Expenses, Freight & Forwarding Charges, Insurance Expenses, Auditors Remuneration, Printing & Stationary Expenses, Professional & Consultancy Fees, Rent Expenses, Travelling Expenses, Manpower Supply Charges & Selling & Distribution Expenses etc.

Fiscal 2024 compared with Fiscal 2023

Revenue from Operation

Revenue from operations had increased by 20.34% from ₹ 13508.81 lakhs in Fiscal 2023 to ₹ 16255.89 lakhs in Fiscal 2024 was due to increase in sales of products & Export Incentive during the year. Reason for growth was mainly due to EBO's business, LFS business, Online business, doing well as compared to FY 23.

Other Income

Other income had increased by 20.90% from ₹ 60.94 lakhs in Fiscal 2023 to ₹ 72.59 lakhs in Fiscal 2024. Below are main reasons for Increase

- Profit on sale of Fixed Assets of Rs 20.83 lacs in Fiscal Year 2024 as compared to Rs 0.12 lacs in Fiscal Year 2023.
- Misc Income has increased from 11.30 Lakhs in Fiscal 2023 to 14.91 Lakhs in Fiscal 2024.
- Interest Income has increased from Rs. 1.69 Lakhs in Fiscal 2023 to Rs. 2.35 Lakhs in Fiscal 2024.

Above increase was partially compensated by reduction in Reversal of Provision for Bad & Doubtful Debts from 12.62 lacs in Fiscal 2023 to Rs. Nil Lakhs in Fiscal 2024.

Cost of Material Consumed

Cost of material consumed had increased by 8.79% from ₹ 6976.38 lakhs in Fiscal 2023 to ₹ 7589.51 lakhs in Fiscal 2024. This increase was primarily due to Increase in Purchases which increased from Rs. 6936.20 Lakhs in Fiscal 2023 to Rs. 7582.77 Lakhs in Fiscal 2024.

The increase in Material Consumed was mainly due to increase in revenue of company which has increased by 20.34% in Fiscal 2024 as compared to Fiscal 2023. There is reduction in cost material consumed as % of revenue earned in Fiscal 2024 as compared to Fiscal 2023 mainly on account of increased pricing of raw material in Fiscal 2023 transferred to consumer in Fiscal 2024 with better realisation.

Changes in Inventories of Finished Goods, WIP & Stock in trade

Changes in Inventories of Finished Goods, WIP & Stock in Trade for Fiscal 2024 was Rs (7.47) lacs as compared to (308.99) lacs in Fiscal 2023.

Employee Benefit Expenses

Employee benefit expenses had increased by 0.16% from ₹ 1486.02 lakhs in Fiscal 2023 to ₹ 1488.38 lakhs in Fiscal 2024. Hence company has kept overall Employee Benefit expense stable and has ensured better productivity with similar cost as revenue has increase by 20.34% as compared to minor increase in employee cost.

Finance Cost

Finance Cost had increased by 49.17% from ₹ 196.40 lakhs in Fiscal 2023 to ₹ 292.97 lakhs in Fiscal 2024. This increase was primarily due to increase in Interest from Bank loans from Rs 60.53 lacs in Fiscal 2023 to Rs 146.63 lacs in Fiscal 2024. Further increase in finance cost is due to interest paid on Statutory Dues has increased from Rs 2.35 lacs in Fiscal 2023 to Rs 17.94 lacs in Fiscal 2024. Further aggregate interest on unsecured loans, Security Deposits and Bank Charges has reduced to Rs 128.40 lacs in Fiscal 2024 from Rs 133.52 lacs in Fiscal 2023. Increase in interest from Banks is mainly due to higher utilisation of borrowing facilities during the year.

Depreciation and Amortization Expenses

Depreciation has increased by 73.89% from ₹ 76.10 lakhs in Fiscal 2023 to ₹ 132.33 lakhs in Fiscal 2024. Major increase is due to increase in depreciation on leasehold improvements. As company has also major additions in leasehold improvements during the Fiscal 2024.

Other Expenses

Other expenses had increased by 27.30 % from ₹ 4559.84 lakhs in Fiscal 2023 to ₹ 5804.77 lakhs in Fiscal 2024. Increase was mainly on account of increase in extra discount from Rs 1118.41 lacs in Fiscal 2023 to Rs 1728.98 lacs in Fiscal 2024. This was due to increase in revenue of 20.34% and also increase in overall discount. Further Cash discount has increased from Rs 255.67 lacs in Fiscal 2023 to Rs 364.27 lacs in Fiscal 2024 due increase in revenue and higher discount offered to distributors. Further Commission has increased from Rs 64.42 lacs in Fiscal 2023 to Rs 246.55 lacs in Fiscal 2024. This was mainly due to increase in commission paid to franchisees in Fiscal 2024 due to opening of new stores. Further Rent has increased from Rs 160.01 lacs in Fiscal 2023 to Rs 374.60 lacs in Fiscal 2024. This was mainly due to opening of new stores and additional rental on exclusive stores and additional rental of corporate office.

Further aggregate of selling and distribution expense has increased from Rs 551.75 lacs in Fiscal 2023 to Rs 778.73 lacs in Fiscal 2024. This is due to higher promotional activities done by the company during the year. Further aggregate of all other admin expenses has increased by Rs 113.48 lacs during Fiscal 2024 as compared to Fiscal 2023. This includes Power & Fuel, Provision for Doubtful Debts, Freight and Forwarding Expense, Insurance Expense, Remuneration to Auditors, Printing and Stationery Expense, Professional and Consultancy fees, Rates and Taxes, General Repair & Maintenance, Security expenses, Director Sitting Fees, Telephone and Internet expense, Traveling expense, Manpower Supply charges, Misc expenses. This increase was partially compensated by reduction in manufacturing expenses from Rs 1320.72 lacs in Fiscal 2023 to Rs 1109.29 lacs in Fiscal 2024.

Tax Expenses

The Company's tax expenses had increased to ₹ 268.23 lakhs in the Fiscal 2024 as compared to ₹ 152.93 lakhs in Fiscal 2023. This was primarily due to increase in current tax expenses during the year. Tax Expenses are directly proportional to Profit Before Tax hence since overall profit before tax in Fiscal 2024 has increased to Rs 1027.99 lacs as compared to Rs 583.11 lacs in Fiscal 2023 accordingly overall Tax Expense has also increased.

Profit after Tax After

Accounting for taxes at applicable rates, our Company reported a net profit of ₹ 759.76 lakhs in Fiscal 2024 as compared to a net profit of ₹ 430.17 lakhs in Fiscal 2023. Reasons for the increase in Profit after Tax is mainly due to the increase in overall revenue of the Company, further company has been able to pass on the increased prices of fabrics to consumers in Fiscal Year 2024 as compared to Fiscal Year 2023.

Fiscal 2023 compared with Fiscal 2022**Revenue from Operation**

Revenue from operations had increased by 5.10% from ₹ 12852.93 lakhs in Fiscal 2022 to ₹ 13508.81 lakhs in Fiscal 2023 was due to increase in sales of products & Export Incentive during the year.

Reason for growth was mainly due to MBO's business doing well as compared to FY 22. Growth in business of MBO's business was compensated by degrowth in business of online business as compared to FY 22.

Other Income

Other income had increased by 189.77% from ₹ 20.72 lakhs in Fiscal 2022 to ₹ 60.04 lakhs in Fiscal 2023 majorly due to Increase in Rental Income which increased from 4.35 Lakhs in Fiscal 2022 to 17.69 Lakhs in Fiscal 2023, Reversal of Provision for Bad & Doubtful Debts from Nil in Fiscal 2022 to Rs. 12.62 Lakhs in Fiscal 2023 & Misc. Income from Rs. 1.64 Lakhs in Fiscal 2022 to Rs. 11.30 Lakhs in Fiscal 2023.

Reasons for growth in rental income was mainly due to let out of property in Mumbai for which rental income was received for the complete year as compared to FY 22. Reversal of provision for Bad and Doubtful Debts was due to recovery from some of the receivables which was considered doubtful in FY22.

Misc Income increased mainly on account of recovery of notice period from some the employees. Receipt of Royalty income received during the year.

One of the channel partners was offered to sell merchandise on third party portals as an experiment which has been discontinued for period ending 31st March 2024. Miscellaneous income includes income earned from Royalty. Detailed income earned from Royalty Income is shown below.

Particulars (Amount in Lakhs)	For the Period Ending		
	31 st March 2024	31 st March 2023	31 st March 2022
Royalty Income	13.00	4.57	1.33

Cost of Material Consumed

Cost of material consumed had increased by 10.44% from ₹ 6316.86 lakhs in Fiscal 2022 to ₹ 6976.38 lakhs in Fiscal 2023. This increase was primarily due to Increase in Purchases which increased from Rs. 6476.39 Lakhs in Fiscal 2022 to Rs. 6936.20 Lakhs in Fiscal 2023.

The increase in Material Consumed was mainly due to an increase in raw material prices and premium fabrics consumed in overall production. This increase in cost of material consumed was temporary and was not passed on to the customers. This had major impact on the overall profitability of the company.

Changes in Inventories of Finished Goods, WIP & Stock in trade

Changes in Inventories of Finished Goods, WIP & Stock in Trade had increased by 47.99% from ₹ (594.09) lakhs in Fiscal 2022 to ₹ (308.99) lakhs in Fiscal 2023. This decrease was primarily due to higher closing inventories during the year.

Changes in Inventories of Finished Goods, WIP and Stock in trade to be read along with Material Consumed and Revenue Earned. Overall total Cost of Changes in Inventory and Cost of material consumed has increased to 49.14% against revenue earned during Fiscal Year 2023 as against 44.45% in Fiscal Year 2022. Since the increase in cost was not passed on to the consumers.

Employee Benefit Expenses

Employee benefit expenses had increased by 14.89% from ₹ 1293.39 lakhs in Fiscal 2022 to ₹ 1486.02 lakhs in Fiscal 2023. This increase was primarily due to increase Salary Expenses which increased from Rs. 1171.12 Lakhs in Fiscal 2022 to Rs. 1352.62 Lakhs in Fiscal 2023, Contribution to Provident Fund which increase from 29.35 Lakhs in Fiscal 2022 to Rs. 32.39 Lakhs in Fiscal 2023, Gratuity Expenses from Rs. 6.90 Lakhs in Fiscal 2022 to 35.87 Lakhs in Fiscal 2023 etc & Decrease in Staff Welfare expenses from Rs. 26.02 Lakhs in Fiscal 2022 to Rs. 5.15 Lakhs in Fiscal 2023.

Increase in Employee expense was mainly due to increment which was given in FY 23 to all the employees of the company. Cost of manpower in LFS and SIS also increased due to stores being operational for complete year as compared to FY 22. In FY 2021-22 due to second wave stores were closed for many days due to government restrictions.

Finance Cost

Finance Cost had increased by 14.95% from ₹ 170.85 lakhs in Fiscal 2022 to ₹ 196.40 lakhs in Fiscal 2023. This increase was primarily due to increase in Interest on Unsecured Loans from Rs. 90.64 Lakhs in Fiscal 2022 to Rs. 101.16 lakhs in Fiscal 2023 & Bank Charges from Rs. 6.78 Lakhs in Fiscal 2022 to Rs. 13.20 lakhs in Fiscal 2023.

Finance Cost increase is incidental to loans borrowed and accordingly since overall borrowings have increased from Rs 1844.13

lakhs to Rs 2051.31 lakhs accordingly finance cost has increased from Rs 170.85 lakhs to Rs 196.40 lakhs in Fiscal year 2023.

Depreciation and Amortization Expenses

Depreciation had decreased by 0.22% from ₹ 76.27 lakhs in Fiscal 2022 to ₹ 76.10 lakhs in Fiscal 2023. This increase is inconsequential as overall increase in fixed assets is less than 100 lakhs during the year.

Other Expenses

Other expenses had increased by 2.54% from ₹ 4446.90 lakhs in Fiscal 2022 to ₹ 4559.84 lakhs in Fiscal 2023. The minor increase was mainly due to increase in Labor & job Work charges, Cash Discount, Professional & Consultancy Expenses, General Repair & Maintenance Expenses, travelling expenses, Manpower Supply charges, Selling & Distribution Expenses etc in comparison of increase in sales.

Tax Expenses

The Company's tax expenses had increased by ₹ 152.42 lakhs in the Fiscal 2022 to ₹ 152.93 lakhs in Fiscal 2023. This was primarily due to increase in current tax expenses during the year.

Tax Expenses are directly proportional to Profit Before Tax but since Company had unabsorbed losses in Fiscal Year 2022 which were consumed actual tax liability was much lower despite higher profit.

Accordingly in Fiscal Year 2023 tax liability increased as all the losses of previous years were recovered in Fiscal Year 2022.

Profit after Tax

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 430.17 lakhs in Fiscal 2023 as compared to a net profit of ₹ 1011.06 lakhs in Fiscal 2022.

Reasons for the decrease in Profit after Tax is mainly due to the increase in consumption of materials against revenue generated. Since we didn't pass on the increased cost of material on the consumers our cost of material was higher which led to lower profit against in Fiscal Year 2023. Increase in revenue against cost of material was much lower and also increase in cost of manpower due to increment and other incidental reasons overall profitability was much lower.

One of the major reasons for decrease in PAT in FY 23 is mainly due to an increase in raw material prices and premium fabrics consumed in overall production. This increase in cost of material consumed was temporary and was not passed on to the customers.

This had major impact on the overall gross margins of the company. A detailed working for the same is prepared below to explain better.

S. No	Particulars	FY 22		FY 23	
		Amount (in Lakhs)	% of Revenue	Amount (in Lakhs)	% of Revenue
a	Material Consumed	6316.86	49.15%	6976.38	51.64%
b	Changes in Inventory	-594.09	-4.62%	-308.99	-2.29%
	Total	5722.77	44.53%	6667.39	49.36%
c	Revenue from Operations	12852.93		13508.81	
	In %	44.53%		49.36%	
d	Difference in Consumption of material Purchased and Changes in Finished Goods and Work in progress				4.83%
E	Increased cost in FY 23 =(Revenue from Operations in FY 23*(d))				652.59

Above working clearly demonstrates that company was not able to pass on the increased cost of material purchased and hence there was dip in profitability of the company in Fiscal Year 2023.

Further company had accumulated losses of previous years carried forward in income tax and hence direct tax for FY 22 as % of net profit is much lower as compared to Fiscal Year 2023. This helped in increasing overall profitability after tax of the Company. We have prepared below table for better understanding.

S. No	Particulars	FY 22	FY 23
a	Profit Before Tax	1163.47	583.10
b	Current Tax Expense	161.76	161.94
c	Tax % = (Current Tax expense/Profit Before Tax)	13.90%	27.77%

Cash Flows

(₹ in lakhs)			
Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Cash from Operating Activities	(1,219.11)	112.24	(251.52)
Net Cash from Investing Activities	(478.59)	(132.65)	(88.03)
Net Cash used in Financing Activities	2,031.06	37.85	304.36

Cash Flows from Operating Activities

Net cash from operating activities for fiscal 2024 was at ₹ (1,219.11) lakhs as compared to the Profit Before Tax at ₹ 1,027.99 lakhs while for fiscal 2023 Net cash from operating activities was at ₹ 112.24 lakhs as compared to the Profit Before Tax at ₹ 583.11 Lakhs. This was primarily due to adjustments against, changes in Working Capital & Income Tax Paid.

Net cash from operating activities for fiscal 2023 was at ₹ 112.24 lakhs as compared to the Profit Before Tax at ₹ 583.11 lakhs while for fiscal 2022 Net cash from operating activities was at ₹ (251.52) lakhs as compared to the Profit Before Tax at ₹ 1163.48 Lakhs. This was primarily due to adjustments against adjustments against, changes in Working Capital & Income Tax Paid.

Net cash from operating activities for fiscal 2022 was at ₹ (251.52) lakhs as compared to the Profit Before Tax at ₹ 1163.48 lakhs while for fiscal 2021. This was primarily due to adjustments against adjustments against, changes in Working Capital & Income Tax Paid.

Cash Flows from Investment Activities

In fiscal 2024 the net cash invested in Investing Activities was ₹ (478.59) lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2023, the net cash invested in Investing Activities was ₹ (132.65) lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2022, the net cash invested in Investing Activities was ₹ (88.03) lakhs. This was mainly on account of Purchases of Fixed Assets.

Cash Flows from Financing Activities

In fiscal 2024, the net cash from financing activities was ₹ 2,031.06 lakhs. This was on account of proceeds of borrowings.

In fiscal 2023, the net cash from financing activities was ₹ 37.85 lakhs. This was on account of repayment of borrowings.

In fiscal 2022, the net cash from financing activities was ₹ 304.36 lakhs. This was on account of proceeds from Borrowings\.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Except for any change in economic policy affecting our industry in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 27 in the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Our Company’s future costs and revenues will be determined by growth of industry in which we operate.

5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of our business.

6. Status of any publicly announced New Products or Business Segment

Our Company has not announced any new Product.

7. Seasonality of business

Our Business is not seasonal in Nature but the sales is fluctuate due to summer and winter season.

8. Dependence on few customers/ clients

The percentage of contribution of our Company’s Top Customers/Clients for the period ended March 31, 2024 is as follows:

Particulars	Customers
Top Ten (%)	39.99%

9. Competitive conditions

Competitive conditions are as described under the Chapters “Industry Overview” and “Business Overview” beginning on pages 124 and 137 respectively of the Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31, 2024

After the date of last Balance sheet i.e. March 31, 2024, the following material events have occurred after the last audited period:

1. Our Company has passed a Board Resolution for Increase in Authorized Share Capital of the Company and make consequent alteration in Clause V of Memorandum of Association in Board Meeting held on April 26, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on April 27, 2024 for the same.

2. Our Company has passed a Shareholders Resolution to approve issuance of Bonus Shares in the Ratio of 10:1 in Extra Ordinary General Meeting held on April 27, 2024 and passed a Board Resolution dated May 1, 2024 for allotment of Bonus equity shares.
3. Our Company has passed a Board Resolution to change the address of the Registered office of the Company w.e.f. May 1, 2024 in Board Meeting held on April 26, 2024.
4. Our Company has passed a Board Resolution in Board Meeting dated May 11, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on May 13, 2024 for conversion of the Company from “Private Limited” to “Public Limited” and subsequently Alteration in Clause I of the Memorandum of Association of the Company.
5. Our Company has passed a Board Resolution for Adoption of New sets of Articles of Association in Board Meeting held on May 11, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on May 13, 2024.
6. Our Company has passed Board Resolution for appointment of Mr. Manish Kapoor as an Additional Independent Director of the Company in Board Meeting held on May 11, 2024.
7. Our Company has passed Board Resolution for appointment of Mr. Harshil Rajendrabhai Patel as an Additional Independent Director of the Company in Board Meeting held on May 11, 2024.
8. Our Company has passed Board Resolution for appointment of Ms. Poojaben Shah as Company Secretary and Compliance Officer of the Company in Board Meeting held on May 11, 2024 and Resignation on June 20, 2024 .
9. Our Company has passed Board Resolution for appointment of Mr. Ritesh Surendra Saraogi as Chief Financial Officer of the Company in Board Meeting held on May 11, 2024.
10. We have changed the designation of Mr. Hitesh Pravinchandra Ruparelia as Chairman cum Managing Director , Mr. Utpal Pravinchandra Ruparelia as Whole Time Director w.e.f June 20, 2024
11. Our Company has passed Board Resolution for appointment of Ms. Sakshi Singh Chauhan as Company Secretary and Compliance Officer of the Company in Board Meeting held on June 20, 2024
12. Regularisation of Additional Directors Mr. Manish Kapoor, Mr. Harshil Rajendrabhai Patel, Ms. Simran Bhasin as Directors vide Shareholders Resolution dated June 20, 2024
13. Our Company has constituted an Audit Committee (“Audit Committee”), Nomination and Remuneration Committee and Stakeholders Relationship Committee vide Board Resolution dated June 20, 2024, as per applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable upon listing of the Company’s Equity shares on SME platform of NSE.

14. Our Company has passed a Board Resolution for Initial Public Offer in Board Meeting held on June 20, 2024 and Shareholders Resolution in Extra Ordinary General Meeting held on June 20, 2024.
15. Our Company has adopted Materiality Policy pursuant to Para 12(A)(1)(V) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for pending litigations and adopted materiality policy, for disclosure of material creditors Pursuant to Para 12(A)(2) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 vide Board Resolution dated June 20, 2024.

CAPITALIZATION STATEMENT

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	As at 31/03/2024	
Debt :		
Long Term Debt [#]	-	[●]
Short Term Debt [#]	4,354.72	[●]
Total Debt	4,354.72	[●]
Shareholders Funds		
Equity Share Capital [#]	125.11	[●]
Reserves and Surplus [#]	4,054.87	[●]
Total Shareholders' Funds	4,179.98	[●]
Long Term Debt/ Shareholders' Funds	-	[●]
Total Debt / Shareholders Fund	1.04	[●]
* The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished. To be updated upon finalization of the Issue Price.		
# These Terms shall carry the meaning as per Schedule III of The Companies Act, 2013.		
1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.		
2. Long term Debts represent debts other than short term Debts as defined above but excludes installment of term loans repayable within 12 months.		
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2024.		
4. Company has allotted 6,25,563 Bonus Equity Shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on 23-06-2023		
5. Company has allotted 1,25,11,260 Bonus Equity Shares on May 1, 2024 in the ratio of 10:1 i.e. 10 Bonus Equity Shares for 1 each equity share held on April 26, 2024		
6. The impact of events mentioned at point 5 above has not been taken into account for the above disclosure of information		

SECTION X – LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENT**

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this RED HERRING PROSPECTUS and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this RED HERRING PROSPECTUS; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this RED HERRING PROSPECTUS; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this RED HERRING PROSPECTUS:

- a. The aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements; or
- b. where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the profit after tax – of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of the Company; or
- c. litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES:**PART 1: LITIGATION RELATING TO OUR COMPANY****A. FILED AGAINST OUR COMPANY****1) Litigation involving Criminal Laws**

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability**Indirect Tax:**

GSTIN: 24AAICS8200M1Z7 (Gujarat)

1. **M/s. S D Retail Private Limited** (hereinafter referred to as the “Assessee”) have been issued with a system generated notice dated May 25, 2024, bearing reference No: AC241223280323J intimating a discrepancy between the input tax credit (ITC) availed in FORM GSTR-3B and the auto-generated statement in FORM GSTR-2B for December 2023 and the assessee have been alleged of claiming excess ITC of Rs. 32,71,599/-, against that available and the assessee have been required to either explain the reason of the difference or to pay the difference. The assessee have submitted its response in the matter and the same is pending for response from the concerned authority.
2. **M/s. S D Retail Private Limited** (hereinafter referred to as the “Assessee”) have been issued with a summary order dated January 03, 2020, bearing Reference No: ZA240120001286E, raising a demand of of Rs. 7,21,068/- (Rs. 3,60,534/- towards GST + Rs. 3,60,534/- towards penalty) for F.Y. 2019-20. This order falls under the Goods and Services Tax (GST) regulations, which mandate that businesses and individuals adhere to their tax liabilities. The demand was prompted by an assessment or audit discrepancy, where the tax authorities uncovered a shortfall or non-compliance with GST provisions.

The aforementioned demand amount have been paid by the assessee herein vide challan dated December 09, 2019 and an appeal has been filed before the Additional Commissioner (Appeal) –I-Grade-1, Ahmedabad, vide acknowledgement no. AD240220016456N dated February 20, 2020 and the same is pending.

Direct Tax:**1. Pending Liability in TDS:**

As per details available on the TRACES an aggregate outstanding amount of Rs 3,02,616/- is determined to be paid from Previous years till 2023-24 against **M/s. S D Retail Private Limited** (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable

2. A.Y. 2020-21:

As per details available on the website of the Income Tax Department **M/s. S D Retail Private Limited** (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. **2021202037029581656C** dated December 18, 2021 passed u/s. 143 (1a) of the Income Tax Act, 1961, raising a demand of Rs. 4,87,320/- is pending to be paid by the assessee. For A.Y. 2020-21 and the same has been disputed by the assessee and is pending.

3. A.Y. 2013-14:

M/s. S.D. Retails Private Limited (Hereinafter referred to as the assessee) have been issued with a demand notice u/s. 156 of the Income Tax Act, 1961 vide notice bearing no. O.E.-II/Sr. No. 21/PG-5/2015-16 dated February 26, 2016 issued by the Deputy Commissioner of income Tax (DCIT) 11(2)(1), Mumbai raising a demand of Rs. 23,430/- for assessment made u/s. 143(3) of the Act.

The assessee have further been issued with a notice initiating penalty proceedings u/s. 271(1)(c) of the Act, vide a notice bearing no. DCIT-II(2)(1)/Penalty/2016-17 dated August 04, 2016 and an order dated August 26, 2016, have been passed against the assessee, levying **an equivalent** penalty u/s. 271(1)(c).

Aggrieved by the said penalty order, the assessee herein have filed an appeal bearing no. CIT (A), Mumbai-60/10211/2016-17 and the same is pending under hearing.

5) Other Pending Litigation based on Materiality Policy of our Company

1. **Royale King Fashions Pvt. Ltd.; 2. Mr. Gurucharan Singh Saluja Niranjana Singh; 3. Amanpreet Singh Saluja (Petitioner / Operational Creditor) V/s. 1. S.D. Retails Private Limited; 2. Mr. Utpalbhair Pravinchandra Ruparelia; 3. Mr. Hitesh Pravinchandra Ruparelia; 4. Mr. Tejas Udaibhai Sarvaiya; (Respondent / Corporate Debtor)**

C.P. (IB) - 325/2020 filed before the Hon'ble National Company Law Tribunal, Ahmedabad bench under the provisions of Section 9 of the Insolvency and Bankruptcy Code, 2016

The operational creditor herein claims to have supplied textile fabrics and garments on various dates and multiple purchase orders and invoices. However as alleged, the Corporate Debtor herein failed to clear its invoices since July 01, 2019 and the last invoice in the series being dated March 12, 2020. As alleged, the aggregate due on the date of service of legal notice dated July 04, 2020 is claimed to be Rs. 6,27,08,591/-, response to which is said to have been received on July 20,

2020. Later however having not received the dues from the debtor, the applicant herein filed the instant petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 seeking initiation of Corporate Insolvency Resolution Process for the Corporate debtor and the same is pending before the concerned authority.

The Corporate Debtor has disputed the above claims of the Operational creditor on the grounds of non-maintainability of the suit for the reason that the respondent herein stands solvent on the date of filing of the suit by the petitioners herein and that the claim amount mismatches the exact amount of invoices and on account of delayed supplies of goods and that the goods not matching to the ordered quality and claim made based on purchase orders, Performa invoices and other expenses not backed by supply from terms of supplies.

The application is pending for further consideration as order is reserved on September 06, 2024.

2. **M/s. N.S. International (hereinafter referred to as the Plaintiff) V/s. 1. M/s S D Retail Pvt. Ltd; 2. Mr. utpal Bhai Pravinchndra Ruparelia; 3. Mr. Hitesh Pravinchandra Ruparelia (Parties at 1 to 3 hereinafter individually referred to as Respondent no. 1, 2 & 3 respectively and respondents, collectively)**

CS 402/2020 filed and pending before the Court of Civil Judge Senior Division Ludhiana

Goods for an aggregate value of Rs. 22,79,195/- were supplied to the defendant herein on different dates in respect of which repeated request have allegedly been made to make payment. The respondent herein have further been required to pay interest @ 12% p.a. i.e. Rs. 1,59,465/-W.E.F. June 12, 2019 to January 22,2020. The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated January 10, 2020 and the same is pending.

3. **Tirupati Foam Limited (Applicant) V/s. Mr. Utpal P. Ruparelia trading as Grace Knit Apparels (Respondent 1) & The Registrar of Trademarks (Respondent No. 2)**

(Filed and pending before the Hon'ble Intellectual Property Appellate Board, Chennai fore removal of the Trade Mark No. 536072 in class 25)



An application has been filed by the Petitioner herein for the removal / rectification of the trademark registered vide Application no. 536072 registered under class 25 and Owned by the Respondent No. 1, on the grounds that the petitioner herein is the prior owner of the word "SWEET DREAMS" vide Trade Mark Registration no. 675303 under class 20 and that the petitioner herein has incurred heavy expenses in advertisement of the said words and have created goodwill over time over the words. Further the petitioner herein claims to have obtained Registration under Copy Right Act, 1957 in special circle logo "TF" and word "Sweet Dream" and the petitioner claims to have statutory rights which is in force. The petitioner has further claimed that the words "Sweet Dream" is the essence of the sought trade mark and other marks and accordingly have applied for rectification / removal of the mark of the respondent herein. The said application for rectification of the mark and the same is pending with the concerned authority.

****As the trade mark in question has been assigned to M/s. S.D. Retail Limited (Formerly known as S D Retail Private Limited), the litigation has been mentioned under the head litigation against the Company.***

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws

Cases of cheque Dishonour filed by M/s. S D Retail Private Limited:

Sr. No.	Case Number and Court Details	Defendant	Amount Involved	Brief Summary and status
1.	CC 92100/22 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 35 at Ahmadabad	Amit Sharma Proprietor of M/s. Aarti Enterprises	Rs. 5,01,297/-	Goods for an aggregate value of Rs. 5,01,297/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated June 23, 2022 which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated July 01, 2022 and the same is pending.
2.	CC 9697/2024 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 35 at	Mr. Lala Ram Proprietor of M/s. Aroma Trading Company through Tarun Kaushik Auth. Person of	Rs. 1,33,028/-	Goods for an aggregate value of Rs. 1,33,028/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated October 20, 2023 which upon presentation with the complainant's bank returned dishonoured with remarks "Drawer Signature Differs". The instant petition was filed for recovery of the

SWEET DREAMS

	Ahmadabad	M/s. Aroma Trading Company		aforementioned amount after service of legal notice dated October 31, 2023 and the same is pending.
3.	CC 30153/20 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 30 at Ahmadabad	Pawan Kumar Sah of Proprietor of M/s Balaji Agency	Rs. 2,50,114/-	Goods for an aggregate value of Rs. 2,50,114/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated January 30, 2020 which upon presentation with the complainant's bank returned dishonoured with remarks "Payment Stopped by Drawer". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated February 18, 2020 and the same is pending.
4.	CC 30149/2020 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 30 at Ahmadabad	Deepak Soni Proprietor of M/s Jai Guru Creation	Rs. 14,09,722/-	Goods for an aggregate value of Rs. 14,09,722/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated January 28, 2020 which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated February 22, 2020 and the same is pending.
5.	CC 12650/2020 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 30 at Ahmadabad	Mahesh N Proprietor of M/s Krystal Traders	Rs. 28,04,771/-	Goods for an aggregate value of Rs. 28,04,771/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated November 17, 2019 which upon presentation with the complainant's bank returned dishonoured with remarks "Account Closed". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated December 16, 2019 and the same is pending.
6.	CC 77962/2018 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 27 at Ahmadabad	M/s Mid India Enterprise Pvt Ltd	Rs. 27,42,968/-	Goods for an aggregate value of Rs. 27,42,968/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued Two cheques for Rs. 9,16,119/- and Rs. 18,26,849/- dated July 09, 2018 & July 11, 2018 respectively, which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated July 27, 2018 and the same is pending.
7.	CC 80347/2020 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 30 at Ahmadabad	Guntupalli Nagaraju proprietor of M/s Naga Raju Distributors	Rs. 43,383/-	Goods for an aggregate value of Rs. 43,383/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated October 30, 2020 which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated November 11, 2020 and the same is pending.
8.	CRMAJ-1762/23 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 35 at Ahmadabad	Ramesh Kumar Bajaj Proprietor of M/s Nayan Fashion	Rs. 85,168/-	Goods for an aggregate value of Rs. 85,168/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated January 21, 2023 which upon presentation with the complainant's bank returned dishonoured with remarks "Payment Stopped by Drawer". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated January 25, 2023 and the same is pending.
9.	CC 135739/21 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 30 at Ahmadabad	Himanshu Mittal Proprietor of M/s Sarika Matchings	Rs. 1,73,248/-	Goods for an aggregate value of Rs. 1,73,248/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated August 11, 2021 which upon presentation with the complainant's bank returned dishonoured with remarks "Other Reason". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated September 10, 2021 and the same is pending.
10.	CC 51093/20 filed and pending	Vivek Mittal Proprietor & Auth.	Rs. 2,79,134/-	Goods for an aggregate value of Rs. 2,79,134/- were supplied to the defendant herein on different dates in lieu of

	before the Hon'ble Metropolitan Magistrate (N.I) Court No. 30 at Ahmadabad	Sign. Of M/s Shivam Hosiery House		which, the defendant issued a cheque dated July 10, 2020 which upon presentation with the complainant's bank returned dishonoured with remarks "Account Closed". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated July 28, 2020 and the same is pending.
11.	CC 57545/19 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 27 at Ahmadabad	Vaibhav Agarwal Proprietor & Auth. Sign. Of M/s S N Trading Company	Rs. 12,26,425/-	Goods for an aggregate value of Rs. 12,26,425/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated April 12, 2019 which upon presentation with the complainant's bank returned dishonoured with remarks "Payment Stopped by Drawer". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated May 08, 2019 and the same is pending.
12.	CC 4373/2021 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court No. 30 at Ahmadabad	Nikhil R Morbiya Proprietor of M/s. Vardhman Agency	Rs. 1,20,000/-	Goods for an aggregate value of Rs. 1,20,000/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated October 29, 2020 which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated November 11, 2020 and the same is pending.
13.	CC 48749/2024 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court Ahmadabad filed u/s. 138 of the Negotiable Instrument Act, 1881	Mohammad Ejaz Ahmad Proprietor of M/s Z M Enterprise	Rs. 3,11,658/-	Goods for an aggregate value of Rs. . 3,11,658/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated December 22, 2023 which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated January 18, 2024 and the same is pending.
14.	CC 48811/2024 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court Ahmadabad filed u/s. 138 of the Negotiable Instrument Act, 1881	Vishal Dilipbhai Zaru Proprietor of M/s Suyidha Sales	Rs. 20,790/-	Goods for an aggregate value of Rs. 20,790/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated January 09, 2024 which upon presentation with the complainant's bank returned dishonoured with remarks "Account Closed". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated January 23, 2024 and the same is pending.
15.	CC 48819/2024 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court Ahmadabad filed u/s. 138 of the Negotiable Instrument Act, 1881	Bherulal Nahar Auth. Signatory / Partner of M/s JJ Distributors	Rs. 3,07,913/-	Goods for an aggregate value of Rs. 3,07,913/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated December 22, 2023 which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated January 18, 2024 and the same is pending.
16.	CC 48974/2024 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court Ahmadabad filed u/s. 138 of the Negotiable Instrument Act,	Chandrakala Kolla Auth. Signatory & Proprietor of M/s Rajkala Agencies	Rs. 1,33,755/-	Goods for an aggregate value of Rs. 1,33,755/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued two cheques both dated January 22, 2024 which upon presentation with the complainant's bank returned dishonoured with remarks "Funds Insufficient". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated February 09, 2024 and the same is pending.

	1881			
17.	CC 48832/2024 filed and pending before the Hon'ble Metropolitan Magistrate (N.I) Court Ahmadabad filed u/s. 138 of the Negotiable Instrument Act, 1881	Ashish Sahai Proprietor of M/s. ACE Clothing	Rs. 3,09,859/-	Goods for an aggregate value of Rs. 3,09,859/- were supplied to the defendant herein on different dates in lieu of which, the defendant issued a cheque dated December 22, 2023 which upon presentation with the complainant's bank returned dishonoured with remarks "Account Closed". The instant petition was filed for recovery of the aforementioned amount after service of legal notice dated January 16, 2024 and the same is pending.

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

Cases filed by M/s. S D Retail Private Limited but Details Pending:

Sr. No.	Case Number and Court Details	Defendant	Amount Involved	Brief Facts
1	Summary Suit Regular No. 178/2020 filed and pending before the Civil court, Mirzapur, Ahmedabad filed under Order 37 of the Code of Civil Procedure, 1908	M/s. Inmark Retail Pvt. Ltd.; 2. Mr. Awaiz Ahmed; 3. Mr. Arunachalam Arumugham	3,56,149/-	As alleged herein, the plaintiff is a regular supplier of goods to the defendant resulting to which, the accommodated dues were calculated at Rs. 3,56,149/-, which upon being demanded was allegedly not paid by the defendant aggrieved by which a legal notice dated January 21, 2020 was served to the defendant which upon having received no response from the defendant, was followed by the instant petition and the same is pending before the concerned court of jurisdiction.
2	Summary Suit Regular No. 143/2020 filed and pending before the Civil court, Mirzapur, Ahmedabad filed under Order 37 of the Code of Civil Procedure, 1908	1. M/s. Swaap Natworks Pvt. Ltd.; 2. Mr. Sagar R. Chheda; 3. Mr. Haresh R. Chheda	Rs. 2,69,903/-	As alleged herein, the plaintiff is a regular supplier of goods to the defendant resulting to which, the accommodated running account dues to be received from the defendant were calculated at Rs. 2,69,903/-, which upon being demanded was allegedly not paid by the defendant aggrieved by which a legal notice dated May 08, 2019 was served to the defendant which upon having received no response from the defendant, was followed by the instant petition and the same is pending before the concerned court of jurisdiction.

PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES

A. LITIGATION AGAINST OUR SUBSIDIARIES AND /OR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax:

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR SUBSIDIARIES AND/ OR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability**Indirect Tax:** NIL**Direct Tax:** NIL**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this RED HERRING PROSPECTUS in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the RED HERRING PROSPECTUS

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of the RED HERRING PROSPECTUS, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON-PAYMENT OF STATUTORY DUES

As on the date of the RED HERRING PROSPECTUS there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Red Herring Prospectus.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued

by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWER

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page 196, there have been no material developments that have occurred after the Last Balance Sheet Date.

OUTSTANDING DUES TO CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2024: -

Particulars	Number of Creditors	Balance Amount
Total Outstanding dues to Micro and Small & Medium Enterprises	30	939.79
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	53	966.50

₹ in Lakhs

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this **Red Herring Prospectus**) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

Approvals In Relation to Our Company's incorporation

1. Originally incorporated on May 14, 2004 from the Registrar of Companies, Mumbai, Maharashtra under the Companies Act, 1956 as "S D RETAIL PRIVATE LIMITED" (Corporate Identification Number. U52520MH2004PTC146313).
2. The registered office of our Company was shifted from Mumbai, Maharashtra to Ahmedabad, Gujarat w.e.f. February 09, 2009 (Corporate Identification Number. - U52520GJ2004PTC056076).
3. Fresh Certificate of Incorporation dated June 19, 2024, issued by the Registrar of Companies, Central Processing Center, consequent to conversion of the Company From 'S D RETAIL PRIVATE LIMITED' to "S D RETAIL LIMITED" (Corporate Identification Number. - U52520GJ2004PLC056076).

Approvals in relation to the Issue

Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on June 20, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1)(c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated June 20, 2024, under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated June 27, 2024, September 12, 2024 and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively with NSE EMERGE.

Approvals from Stock Exchange

1. Our Company has received in- principle listing approval from the NSE EMERGE dated September 06, 2024 for listing of Equity Shares issued pursuant to the issue.

Other Approvals

1. The Company has entered into a tripartite agreement dated June 07, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated May 30, 2024 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.

APPROVALS/LICENSES/PERMISSIONS IN RELATION TO OUR BUSINESS

Tax Related Approvals

S. No	Description	Address of Place of Business/Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	--	AAICS8200M	Income Tax Department	May 14, 2004	Valid till Cancelled
2.	Tax Deduction Account Number (TAN) Ahmedabad	M/s. S D Retail Private Limited, S D Retail Private Limited Divison Ahmedabad, Sg Highway Ahmedabad, B-602, Shapath 4, Nr Karnavati Club, Sg Highway Ahmedabad Gujarat-380051	AHMS19385C	Income Tax Department	August 03, 2010	Valid till Cancelled
3.	Tax Deduction Account Number (TAN) Maharashtra	M/s. S D Retail Private Limited, Unit 32g/32q, Shree Laxmi Vijay Premise. Link Road, Andheri (W). Mumbai, Maharashtra-400053	MUMS46421E	Income Tax Department	July 02, 2010	Valid till Cancelled
4.	Professions Tax Enrollment Certificate (P.T.E.C.):	Plot No. 7/1&12, Ratnam Industrial Estate, Survey No 61, Mouje- Ode, Ta- Daskroi, Ahmedabad, Gujarat, 382427	PEP-07030270023	Professions Tax Department, Gujarat	February 28, 2022	Valid till Cancelled
5.	Professions Tax Enrollment Certificate (P.T.E.C.):	Second Floor, Unit No. S-18 A, Nexus Ahmedabad One, Plot No. 216, TP Scheme-01, Vastrapur Lake, Vastrapur, Ahmedaabad, Gujarat-380054	PEC010673082561	Amdavad Municipal Corporation, Professions Tax Department	May 04, 2024	Valid till Cancelled
6.	Professions Tax Enrollment Certificate (P.T.E.C.):	M/s. S D Retail Private Limited Office No. 9 th /C-916, 917, 926 to 930, Satellite Roadstratum & Venus Ground, Nr. Jansini Rani Bus Stop, Ahmedabad, Gujarat-380015	PEC010508002125	Amdavad Municipal Corporation, Professions Tax Department	February 12, 2024	Valid till Cancelled
7.	Professions Tax Registration Certificate (P.T.R.C.):	M/s. S D Retail Private Limited Office No. 9 th /C-916, 917, 926 to 930, Satellite Roadstratum & Venus Ground, Nr. Jansini Rani Bus Stop, Ahmedabad, Gujarat-380015	PRC010508000236	Amdavad Municipal Corporation, Professions Tax Department	February 12, 2024	Valid till Cancelled
8.	Professions Tax Registration Certificate (P.T.R.C.)	M/s. S D Retail Private Limited	27360506187P	Sales Tax Department, Government of Maharashtra	March 13, 2008	Valid till Cancelled
9.	Professions Tax Enrollment Certificate (P.T.E.C.):	M/s. S D Retail Private Limited Unit-32 Q, Shree Laxmi Vijay Ind., New Link Road, Andheri, Mumbai, Maharashtra, 400053	99462165196P	Professions Tax Department, Maharashtra	April 01, 2005	Valid till Cancelled
10.	Professions Tax Registration Certificate (P.T.R.C.)	M/s. S D Retail Private Limited, 1-1-130 to 139, 1-1-140 to 144, C-9, Opp. Clock Tower, Secunderabad, Sarojani Devi Road	PT36AAICS8200M1Z2	Government of Telangana, Commercial Taxes Department	June 07, 2024	Valid till Cancelled

SWEET DREAMS

11.	Professions Tax Enrollment Certificate (P.T.E.C.)	M/s. S D Retail Private Limited,1-1-130 to 139,1-1-140 to 144, C-9,Opp.Clock Tower, Secunderabad, Sarojani Devi Road	PT36AAICS8200 M1Z2	Government of Telangana, Commercial Taxes Department	June 07, 2024	Valid till Cancelled

GST REGISTRATION CERTIFICATE

Sr. No.	Description	Address of Place of Business/Premises	Registration Number	Issuing Authority	Effective Date	Date of Expiry
1.	GST Registration Certificate, Gujarat	M/s. S D Retail Private Limited, Ninth Floor, Wing B, Unit No.C-916,C-917,C-926,C-927,C-928,C-929 and C-930, Venus Stratum at venus Grounds, Nehru Nagar, Ahmedabad, Gujarat, 380006 Additional Place of Business: 136, Panchamrut, Old Manek Wadi, Bhavnagar, Gujarat, 364001 - Plot No.7/1, Ratnam Industrial Estate, Survey No 61, Mouje- Ode, Ta-Daskroi, Ahmedabad,Gujarat, 382427 - Plot No.12, Ratnam Industrial Estate, Survey No 61, Mouje-Ode, Ta-Daskroi, Ahmedabad, Gujarat, 382427 - Unit No. FF-09, Fourth Floor, Final Plot No.1+2/1, Palladium Mall, Town Planning Scheme No.1 of Thaltej, Ahmedabad, Gujarat, 380054 - Second Floor, Unit No. S-18 A, Nexus Ahmedabad One, Plot No. 216, TP Scheme-01, Vastrapur Lake, Vastrapur, Ahmedaabad, Gujarat-380054 - Plot No. 3/4/5 Survey No. 60, Opp. Diamond Gruh Udhyog, B/h Ratnam Estate, Pirana Road, Bareja, Ahmedabad, Gujarat-382425 - Unit No : Room 28, Terminal-1, Arrival Plaza, Sardar Vallabhbhai Patel International Airport Arrival Terminal 1, hansol, Ahmedabad, Gujarat - Second Floor, Unit No 206-207, Swagat Holiday Mall, Sargasan, Sargasan Cross Road, Shantigram, Gandhinagar, Gujarat-382421	24AAIC S8200M1 Z7	Goods And Services Tax Department	July 01,2017 Latest Amended Certificate issued on August 24, 2024	Valid till Cancell ed
2.	GST Registration Certificate, Haryana	M/s. S D Retail Private Limited, Khasra No. 3//4, 7, 8, 11/2/1 MIN, 12, 13, 14, 19/1, Tajnagar, Farrukhnagar, Gurugram, Haryana, 122506 Additional Place of Business - First Floor, Shop No.FF-04, The MGF Metropolitan Mall, Village Sarhaul, M.G.Road, Gurugram, Haryana, 122002 - Shop No. 30, NH 1, Factory Stores, G.t. Road, Ambala Cant Station, Ambala, Haryana-133004	06AAIC S8200M1 Z5	Goods And Services Tax Department	April 19,2023 Latest Amended Certificate issued on August 07, 2024	Valid till Cancell ed

3.	GST Registration Certificate, Karnataka	M/s. S D Retail Private Limited Plot No. 5, Scalex Vaswani Augusta Lane, Whistling Greens, Challaghatta, Embassy Golf Link Road, Domlur, Bengaluru, Bengaluru Urban, Karnataka, 560071 Additional Place of Business: Marasandra and Madnahatti -Venkatapura Villages, Kasaba Hobli, Malur Taluk, Bangalore, Malur, Kolar, Karnataka, 563130	29AAIC S8200M1 ZX	Goods And Services Tax Department	November 24, 2023 Latest Amended Certificate issued on August 07, 2024	Valid till Cancell ed
4.	GST Registration Certificate, Madhya Pradesh	M/s. S D Retail Private Limited First Floor, Unit No. F-03, Survey No.248 1 1, Phoenix Citadel, Next to Mumbai Agra Bypass, Village Khajrana, Indore, Indore, Madhya Pradesh, 452016 Additional Place of Business 1. Second Floor, Unit No. S-30, DB City, Opp. MP Nagar on Khasra 1511 & 1509, Arera Hills, Bhopal, Madhya Pradesh, 462011	23AAIC S8200M1 Z9	Goods And Services Tax Department	February 04,2023 Latest Amended Certificate issued on July 31, 2024	Valid till Cancell ed
5.	GST Registration Certificate, Maharashtra	M/s. S D Retail Private Limited, Unit-32 Q, Shree Laxmi Vijay Ind., New Link Road, Andheri, Mumbai, Maharashtra, 400053 Additional Place of Business: 1. Ground Floor, Shop No 34, Krishna Apartment Vasant Sagar Complex, Krishna Kaveri CHSL, Thakur Village, Kandivali East, Mumbai Suburban, Maharashtra, 400101 2. Second Floor, Shop No. S-38, Phoenix Marketcity, Survey No. 207, Viman Nagar Road, Pune, Maharashtra, 411014 3. Second Floor, Unit No. S-38, Phoenix Mall of the Millennium, Behind Sayaji Hotel, Wakad, Pune, Maharashtra, 411057 4. Second floor, Unit No. S-08, Oberoi Mall, International Business Park, Oberoi Garden City, Off Western Express Highway, Goregaon East, Mumbai Suburban, Maharashtra-400063 5. Second Floor, Unit No SF-33B, Viviana Mall, Village Panchpakhadi, Eastern Express Highway, Thane West, Thane, Maharashtra-400606	27AAIC S8200M2 Z0	Goods And Services Tax Department	August 13,2019 Latest Amended Certificate issued on August 27, 2024	Valid till Cancell ed
6.	GST Registration Certificate, Punjab	M/s. S D Retail Private Limited, Basement, D-140, Phase 7 Industrial Area, Sector 73, Mohali, SAS Nagar, Punjab, 160055 Additional Place of Business 1.Shop No-A 14, Atrium Floor Pavilion Mall, Opp. Extension Library, Ludhiana, Punjab, 141001 2.Upper Basement, Unit No. 15, MBM Farm, G.T. Road, Amritsar, Punjab, 143001	03AAIC S8200M1 ZB	Goods And Services Tax Department	July 01,2017 Latest Amended Certificate issued on July 31, 2024	Valid till Cancell ed

		3.First Floor, Shop No. A-74, Eastwood Village,NH44 Jalandhar Phagwara GT Road, Village Khajurla, Tehsil Phagwara, Kapurthala Chowk, Jalandhar, Punjab, 144005 4.Ground Floor, Retail-3, Shop No. 99, Palm Heights, VPO Jaspal Bangar, Southern Bypass, Sidhwan Canal Road, Ludhiana, Punjab, 141122 5.Second floor, Unit No. S-016, Nexus Amritsar Mall, MBM Farm, GT Road, Golden Temple Road Area,Amritsar, Punjab, 143001 6.Ground Floor, Shop No. 60, Green City Square, Near AIIMS, Dabwali Road, All India Institute Of Medical Sciences, Bathinda, Punjab, 151001 7.Shop No 19, H G Eaton Plaza, Batinda to Barnala Road, NH 7, Handiaya, Barnala, Punjab, 148107				
7.	GST Registration Certificate, Rajasthan	M/s. S D Retail Private Limited Second Floor, Unit No. 02-16-01, Celebration Mall, NH-08 Bhuwana, Bhuwana Road, Nexus Celebration, Bhuwana,Udaipur, Rajasthan, 313001 Additional Place of Business Upper Ground Floor, Shop No. 3, K-Mall, Plot No. 13-18, Main Pali Road, Jodhpur, Kota, Kota, Rajasthan, 324003	08AAIC S8200M1 Z1	Goods And Services Tax Department	October 03, 2023 Latest Amended Certificate issued on August 30, 2024	Valid till Cancell ed
8.	GST Registration Certificate, Telangana	M/s. S D Retail Private Limited 1-1-130 To 139, 1-1-140 To 144, C-9, Navaketan Complex, Opp. Clock Tower, Located Sarojini Devi Road, Secunderabad, Hyderabad, Telangana, 500003 Additional Place of Business: Second Floor, Unit No. SF-223, Nexus Hyderabad Mall, SY. No. 1009, KPHB Colony, Kukatpally, Hyderabad, Medchal Malkajgiri, Telangana, 500072	36AAIC S8200M1 Z2	Goods And Services Tax Department	February 17, 2023 Latest Amended Certificate issued on August 03, 2024	Valid till Cancell ed
9.	GST Registration Certificate, Uttar Pradesh	M/s. S D Retail Private Limited Second Floor, Unit No.S-33, Phoenix Palassio, Sector-7, Gomti Nagar Extension, Lucknow, Lucknow, Uttar Pradesh, 226010 Additional Place of Business: Second Floor, Unit No. S-25, Z Square Shopping Mall Pvt Ltd, 16/113, MG Marg, Kanpur, Kanpur Nagar, Uttar Pradesh, 208001	09AAIC S8200M1 ZZ	Goods And Services Tax Department	February 23,2023 Latest Amended Certificate issued on August 02, 2024	Valid till Cancell ed
10	GST Registration Certificate, West Bengal	M/s. S D Retail Private Limited 7th Floor, Desk No. Wb19, 7ws4e, Plot No. Iif/04, West Block, Mani Casadona, Premises No. 24-0372, Action Area Iif, New Town, North Twenty Four Parganas, West Bengal, 700156 Additional Place: J.L. No.-9, 55 & 8, Mouza –Chandipur, Harinarayan Chak, Amraberia, Uluberia, Howrah, Tehatta, Howrah, Tehatta, Howrah, West Bengal-711316	19AAIC S8200M1 ZY	Goods And Services Tax Department	December 21,2023 Latest Amended Certificate issued on August 07, 2024	Valid till Cancell ed

SWEET DREAMS

11	GST Registration Certificate Andhra Pradesh	Ground Floor, Unit No. GF27-28, BVR MALLS PRIVATE LIMITED – PVP SQUARE MALL, Door No.39-1-57, M.G.Road, Vijayawada, NTR, Andhra Pradesh, 520010	37AAIC S8200M1 Z0	Goods And Services Tax Department	May 28, 2024 Latest Amended Certificate issued on August 01, 2024	Valid till Canceled
12	GST Registration certificate Uttarakhand	Second Floor, SH/2F/15, Mall of Dehradun, Mohakmpur Khurd, Pargana Parvadoon, Tehsil Chowk, Dehradun, Dehradun, Uttarakhand, 248005	05AAIC S8200M1 Z7	Goods And Services Tax Department	May 13, 2024 Latest Amended Certificate issued on August 05, 2024	Valid till Canceled

REGISTRATION CERTIFICATE OF ESTABLISHMENT

Shop and Establishment registration for EBO's:

S. No.	Store Address	City	State	Type	Status	Certificate Number	Valid Till
1	Second Floor, Unit No.S-33, Phoenix Palassio, Sector-7, Gomti Nagar Extension, Lucknow, Uttar Pradesh, 226010	Lucknow	Uttar Pradesh	COFO	Done	UPSA28760509 dtd. 27-06-24	Lifetime
2.	M-010, First Floor, Lulu Mall, Amar Shaheed Path, Golf City, Sultanpur Road, Gominagar Extension, Lucknow-226010, Uttar Pradesh	Lucknow	Uttar Pradesh	COFO	Done	UPSA28761708 dtd. 05-09-2024	lifetime
3.	Second Floor, Unit No. S-25, Z Square Shopping Mall Pvt Ltd, 16/113, MG Marg, Kanpur, Kanpur Nagar, Uttar Pradesh, 208001	Kanpur	Uttar Pradesh	COCO	Done	Reg. No.: UPSA35739373	Lifetime
4.	First Floor, Shop No. A-74, Eastwood Village,Nh44 Jalandhar Phagwara Gt Road, Village Khajurla, Tehsil Phagwara, Kapurthala Chowk, Jalandhar, Punjab, 144005	Jalandhar	Punjab	COFO	Done	Reg.No.: JUC/N06/00231016 File No.: SCG124062400242585 Dt. 25-06-24	31-03-2025
5.	Ground Floor, Retail-3, Shop No. 99, Palm Heights, Vpo Jaspal Bangar, Southern Bypass, Sidhwan Canal Road, Ludhiana, Punjab, 141122	Ludhiana	Punjab	COFO	Done	Reg.No.: LDH/N06/00139039 File No.: SCG124050900140163 dtd. 26-6-24	31-03-2025
6.	Shop No-A 14, Atrium Floor Pavilion Mall, Opp. Extension Library, Ludhiana, Punjab, 141001	Ludhiana	Punjab	COFO	Done	Reg. No. : LDH/N06/00139031 File No. : SCG124050900140152 dtd. 26-6-24	31-03-2025

SWEET DREAMS

7.	Second Floor, Unit No. S-016, Nexus Amritsar Mall, Mbm Farm, Gt Road, Golden Temple Road Area, Amritsar, Punjab, 143001	Amritsar	Punjab	COFO	Done	Reg.No.: ASR/N06/00139035 File No.: SCG124050900140158 dtd. 26-6-24	31-03-2025
8.	First Floor, Unit No. F-03, Survey No.248 1 1, Phoenix Citadel, Next To Mumbai Agra Bypass, Village Khajrana, Indore, Indore, Madhya Pradesh, 452016	Indore	Madhya Pradesh	COFO	Done	INDO240626SE015961 Dt. 27-06-24	Lifetime
9.	Shop No. 30, At NH-1, Factory Stores, G.T. Road, Kuldeep Nagar, Ambala Cant Center)	Ambala	Haryana	COFO	Done	PSA/REG/AMB/LI-Ambala-II/0332877 Dt. 26-06-24	Lifetime
10.	First Floor, Shop No.Ff-04, The Mgf Metropolitan Mall, Village Sarhaul, M.G.Road, Gurugram, Haryana, 122002	Gurugram	Haryana	COFO	Done	PSA/REG/GGN/LI-GGN-VI/0334495	Lifetime
11.	Ground Floor, Unit No. GF27-28, BVR MALLS PRIVATE LIMITED – PVP SQUARE MALL, Door No.39-1-57, M.G.Road, Vijayawada, NTR, Andhra Pradesh, 520010	Vijaywada	Andhra Pradesh	COFO	Done	AP-20-18-004-03578619	31-03-2027
12.	Second Floor, Unit No. S-30, Db City, Opp. Mp Nagar On Khasra 1511 & 1509, AreraHills,Bhopal, Madhya Pradesh, 462011	Bhopal	Madhya Pradesh	COFO	Done	BHOP240507SE002245	Lifetime
13.	Second Floor, Unit No. S-18 A, Nexus Ahmedabad One, Plot No. 216, TP Scheme-01, Vastrapur Lake, Vastrapur, Ahmedaabad, Gujarat-380054	Ahmedabad	Gujarat	COFO	Done	III/VSTR/LK/20016549/0006694 (VASTRAPURLAKE)	Lifetime
14.	Unit No. Ff-09, Fourth Floor, Final Plot No.1+2/1, Palladium Mall, Town Planning Scheme No.1 Of Thaltej, Ahmedabad, Gujarat, 380054	Ahmedabad	Gujarat	COFO	Done	III/DRIR/4000986 / 0005593 (DRIVEINROAD)	Lifetime
15.	Second Floor, Unit No. S-38, Phoenix Mall Of The Millennium, Behind Sayaji Hotel, Wakad, Pune, Maharashtra, 411057	Pune	Maharashtra	COFO	Done	Receipt : 2431000318790710 Application : 104462612403	Lifetime

SWEET DREAMS

16.	Second Floor, Shop No. S-38, Phoenix Marketcity, Survey No. 207, Viman Nagar Road, Pune, Maharashtra, 411014	Pune	Maharashtra	COFO	Done	Receipt : 2431000318790570 Application : 104460992403	Lifetime
17.	Upper Basement, Unit No. 15, Mbm Farm, G.T. Road, Amritsar, Punjab, 143001	Amritsar	Punjab	COFO	Done	AMR04/202302/018	31-03-2025
18.	Second Floor, Unit No. 02-16-01, Celebration Mall, Nh-08 Bhuwana, Bhuwana Road, Nexus Celebration, Bhuwana, Udaipur, Rajasthan, 313001	Udaipur	Rajasthan	COFO	Done	SCA/2024/ 27/132691	Lifetime
19.	SF-223, 2nd Floor, Nexus Hyderabad Mall, Kukatpally, Hyderabad-500072	Hyderabad	Telangana	COFO	Done	SEA/HYD/ALO/01/0890118/2024	01-12-24

Shop Licenses Under Corrections

20.	Ground Floor, Shop No 33, Krishna Apartment Vasant Sagar Complex, Krishna Kaveri Chsl, Thakur Village, Kandivali East, Mumbai Suburban, Maharashtra, 400101	Mumbai	Maharashtra	COFO	Under Process	License in Update : (Address Change) 890760455/ RS Ward/ Shop I	12-08-2028

Shop License Not Required

21.	Shop No 19, H G Eaton Plaza, Batinda to Barnala Road, NH 7, Handiaya, Barnala, Punjab, 148107	Barnala	Punjab	FOFO	Not Required	FOFO Store	
22.	Ground Floor, Shop No. 60, Green City Square, Near Aiims, Dabwali Road, All India Institute Of Medical Sciences, Bathinda, Punjab, 151001	Bhatinda	Punjab	FOFO	Not Required	FOFO Store	
23.	Shop No. 42, Factory Outlet NH-7, Bhucho Kalan, Bhatinda	Bhatinda	Punjab	FOFO	Not Required	FOFO Store	
24.	Second Floor, SH/2F/15, Mall of Dehradun, Mohakmpur Khurd, Pargana Parvadoon, Tehsil Chowk, Dehradun, Dehradun, Uttarakhand, 248005	Dehradun	Uttarakhand	COFO	Not Required	It is not required in Uttarakhand state for below 10 employees and we have total 3 employees	
25.	Iqbal Wasu & Sons, F-05, First Floor, Cross Road Mall, 1 Old Survey Road, Dehradun, Uttarakhand, 248001	Dehradun	Uttarakhand	FOFO	Not Required	It is not required in Uttarakhand state for below 10 employees and we have total 3 employees	

SWEET DREAMS

26.	Beam Retail & Infra Pvt. Ltd. Unit No. 57, Terminal - 1 C SHA, Second Floor, Chhatrapati Shivaji Maharaj Int. Airport, Mumbai, Maharashtra 400099	Mumbai	Maharashtra	FOFO	Not Required	FOFO Store	
27.	Beam Retail & Infra Pvt. Ltd. Unit No. 4112, Terminal - 2, Chhatrapati Shivaji Maharaj Int. Airport, Mumbai, Maharashtra 400099	Mumbai	Maharashtra	FOFO	Not Required	FOFO Store	
28.	Inda Retails & Hospitality Pvt. Ltd. C/o. Reflex Airports Retail Pvt. Ltd. R-8B, First Floor, Domestic Departure, New Terminal Building, Pune, Maharashtra 411032	Mumbai	Maharashtra	FOFO	Not Required	FOFO Store	
29.	Inda Retails & Hospitality Pvt. Ltd. C/o. Balaji Caterers, 1st Floor, Domestic Airport, Security Hold Area (SHA), Vishakhapatnam, Andhra Pradesh 530009	Vishakhapatnam	Andhra Pradesh	FOFO	Not Required	FOFO Store	
30.	Banaras Trading, K-14, Power House Chouraha, Ashiana, Lucknow, Uttar Pradesh 226012	Lucknow	Uttar Pradesh	FOFO	Not Required	FOFO Store	
31.	Uned Retail Limited 1190-B, Noble House, Ghogha Circle, Bhavnagar Gujarat - 364001	Bhavnagar	Gujarat	FOFO	Not Required	FOFO Store	

Shop License to be Applied For

32.	Unit No. 28, Arrival Terminal -1, SVPI Airport, Parcel - D Room, Ahmedabad, Gujarat 382475	Ahmedabad	Gujarat	COFO	Under Process	Newly Opened Store	
33.	Shop NO. 206-207, Second Floor, Swagat Holiday Mall, Opp. Swagat Flamingo, Sargasan, Gandhinagar, Gujarat 382421	Gandhinagar	Gujarat	COFO	Under Process	Newly Opened Store	-

REGISTRATIONS RELATED TO LABOUR LAWS

S. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry

SWEET DREAMS

1.	Registration under Employees State Insurance Act, 1948	Unit-32 Q, Shree Laxmi Vijay Ind., New Link Road, Andheri, Mumbai, Maharashtra, 400053	35000533600001102	Employees' State Insurance Corporation	August 02, 2010	Valid till Cancelled
2.	Registration under the Employees Provident fund (EPF)	M/s. S D Retail Private Limited, 177, Nr Sml Isuzunr Krishna Temple Bhammariya Kuva, Lambha, Ahmedabad, Gujarat	GJAHD0056478000	Employees' Provident Fund Organization	March 19, 2015	Valid till Cancelled
3.	Registration under the Employees Provident fund (EPF)	Unit-32G Q, Ground Floor, Shree Laxmi Vijay Premises, New Link Road, Andheri, Mumbai, Maharashtra, 400053	KDMAL0094971000	Employees' Provident Fund Organization	January 20, 2015	Valid till Cancelled
4.	Registration under the Employees Provident fund (EPF)	Property No. 105, 106, Phase 7, Industrial Area, S A S Nagar, Sahibzada Ajit Singh Nagar (Mohali), Punjab	PBCHD1398613000	Employees' Provident Fund Organization	November 17, 2015	Valid till Cancelled
5.	Registration and license to work in a factory under the Factories Act, 1948	Plot No.12, Ratnam Industrial Estate, Survey No 61, Mouje-Ode, Ta- Daskroi, Ahmedabad, Gujarat, 382427	Registration No. 12058/14103 /2024 License No. 54926	Director Industrial Safety & Health, Gujarat	26 th June, 2024	31st December 2028
6.	Registration under Gujarat Shops and Establishment s Act, 2019	136, Panchamrut, Old Manek Wadi, Bhavnagar, Gujarat, 364001	Receipt No. C1005000122 Application no. 005INT202400317	Bhavnagar Municipal Corporation	June 24, 2024	Valid till Cancelled

BUSINESS RELATED APPROVALS

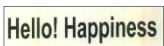
S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Legal Entity Identifier (LEI)	M/s. S D Retail Private Limited	3358009OKKSQ4SYZWJ75	Legal Entity Identifier India Limited	June 02, 2024	June 02, 2027
2.	Import/Export License	M/S, S D Retail Private Limited, Survey No. 177, Sml Isuzu, Bh.Krishna Mandir,,Bhammariya Kuva Lambha, Laxmipura,Ahmadabad,Gujarat, 382405	0306025132	Ministry of Commerce and Industry, Directorate General of Foreign Trade	July 13, 2006	Valid till Cancelled
3.	UDYAM Registration Certificate	M/s. S D Retail Private Limited, Survey No.177, Nr. Sml Isuzu,, B/H Krishna Mandir, Bhammariya Kuva,, Lambha, Laxmipura,, Ahmedabad, Gujarat, 382405	UDYAM-GJ-01-0028299	Ministry of Micro Small & Medium Enterprises	November 28, 2020	Valid till Cancelled
4.	Registration Cum Membership Certificate (RCMC) of FIEO	M/s. S D Retail Private Limited, Survey No.177, Sml Isuzu B/H. Krishna Mandir, Bhammariya Kuva,, Lambha, Laxmipura,, Ahmedabad, Gujarat, 382405	AHD/42/2021-2022	Federation of Indian Export Organisations	April 01, 2021	March 31, 2025

SWEET DREAMS

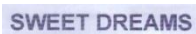
5.	Barcode Registration	M/s. S D Retail Private Limited, Survey No.177, Sml Isuzu B/H. Krishna Mandir, Bharmariya Kuva,, Lambha, Laxmipura,, Ahmedabad, Gujarat, 382405	GS1 Barcode Number 8909007 for 100000 GTINs	GS1 India	June 08, 2024	July 31, 2026
6.	Registration under the Legal Metrology (Packaged Commodity) Rules, 1977	M/s. S D Retail Limited, Ninth Floor, Wing B, Unit No. C-929, East Wing, Venus Stratum at venus Grounds, Nehru Nagar, Ahmedabad, Gujarat, 380006	Reg. No.: GUJ/ACLM/LM /300000/PCR/16 38	Ministry of Food, Civil Supply and Consumer Affairs, Department of Legal Metrology	August 20, 2024	Valid till Cancelled

INTELLECTUAL PROPERTY

Trademarks registered/Objected/Abandoned in the name of our company

S. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registratio n number	Owner	Authority	Date of Applicati on	Validity	Current Status
1.	Device 	35	3363540	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	Septembe r 16, 2016	September 16, 2026	Registered
2.	Device 	25	3360904	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	Septembe r 14, 2016	September 14, 2026	Registered
3.	Word “COME HOME TO HAPPINESS”	25	3608664	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	August 08, 2017	August 08, 2027	Registered
4.	Word “WORK LIESURE”	25	3830264	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 11, 2018	May 11, 2028	Registered
5.	Device 	35	3186717	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 16, 2016	February 16, 2026	Registered
6.	Device 	25	3724453	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	January 11, 2018	January 11, 2028	Registered
7.	Device 	25	4158706	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	April 26, 2019	April 26, 2029	Registered
8.	Device 	35	4165118	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 03, 2019	May 03, 2029	Registered
9.	Device 	25	3084023	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	October 23, 2015	October 23, 2025	Registered

SWEET DREAMS

10.	LOUNGE EXPRESSION	25	1361531	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	June 03, 2005	June 03, 2025	Registered
11.	Word "SWEET SENSATION"	25	1361530	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	June 03, 2005	June 03, 2025	Registered
12.	Word "SAANJ"	25	1455196	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 30, 2006	May 30, 2026	Registered
13.	Word "FAMILY PAJAMA PARTY"	25	1487192	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	September 14, 2006	September 14, 2026	Registered
14.	Device 	25	1488031	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	September 18, 2006	September 18, 2026	Registered
15.	Word "NIGHT LIFE"	25	1533466	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 22, 2007	February 22, 2027	Registered
16.	Word "NIGHT LIFE"	35	1533467	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 22, 2007	February 22, 2027	Registered
17.	Word "SOUL FUSION"	25	1562573	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	May 28, 2007	May 28, 2027	Registered
18.	Device 	25	2103516	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	February 21, 2011	February 21, 2031	Registered
19.	"Device" 	25	3363543	S D Retail Pvt. Ltd.*	Trade Mark registry Intellectual Property India	September 16, 2016	September 16, 2026	Registered
20.		25	536072	S D Retail Pvt. Ltd.	Trade Mark registry Intellectual Property India	August 28, 1990	August 28, 2024	Registered
21.	Device 	25	1573940	Acquired by S D Retail Pvt. Ltd. vide assignment deed dated November 21, 2017	Trade Mark registry Intellectual Property India	June 29, 2007	June 29, 2027	Registered
22.	Device 	25	1086191	Acquired by S D Retail Pvt. Ltd. vide assignment deed dated June 30, 2014	Trade Mark registry Intellectual Property India	March 11, 2002	March 11, 2032	Registered
23	Word "S D LOUNGEWEAR"	25	1150601	Acquired by S D Retail Pvt. Ltd. vide assignment	Trade Mark registry Intellectual Property India	November 14, 2002	November 14, 2032	Registered

SWEET DREAMS

				nt deed dated November 21, 2017				

*the application and other correspondence in respect of the mark had been filed by M/s. S D Retail Pvt. Ltd.. However, registration certificate in respect of same had been issued in name of one M/s. Billwin Waterproof Pvt. Ltd. and correction application in respect of same has been filed and is pending.

DOMAIN NAME

S. No	Domain Name	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	sweetdreams.in	Registry Domain ID: D9902508-IN	Godaddy.Com, LLC, Registrar IANA ID: 146	October 01, 2015	October 01, 2024
2.	Sdlgroup.in	Registry Domain ID: DC507DE99BB4F491A95CEC79 FA04851D8-IN	Endurance Digital Domain Technology LLP, IANA ID: 801217	November 23, 2020	November 23, 2024
3.	sweetdreamsindia.com	Registry Domain ID: 83271479_DOMAIN_COM-VRSN	eNom, LLC IANA ID:48	February 02, 2002	February 02, 2027

REGISTRATIONS TO BE APPLIED FOR:

S. No	Description	Address of Premises	Previous Registration if any	Purpose
1.	Registration under Gujarat shop and Establishment act, 2019	Unit No. 28, Arrival Terminal -1, SVPI Airport, Parcel - D Room, Ahmedabad, Gujarat 382475	--	Ahmedabad Municipal Corporation
2.	Registration under Gujarat shop and Establishment act, 2019	Shop NO. 206-207, Second Floor, Swagat Holiday Mall, Opp. Swagat Flamingo, Sargasan, Gandhinagar, Gujarat 382421	--	Ahmedabad Municipal Corporation

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company from pursuant to change of its constitution from Private Limited to Public Limited.

SECTION XI- INFORMATION WITH RESPECT TO GROUP COMPANIES

As per the SEBI ICDR Regulations, 2018 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 as per Restated Financial Statements (other than our Subsidiary Company if any) and other companies considered material by our Board with which our Company has had related party transactions during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

Pursuant to a resolution of our Board dated June 20, 2024 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if Such company forms part of the Promoter Group of our Company in terms of Regulation of the SEBI ICDR Regulations and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Based on the above, our Company does not have "Group Companies" in terms of the definition provided for above, as on date of this Red Herring Prospectus.

SECTION XII - OTHER REGULATORY AND STATUTORY DISCLOSURES**Authority for the Issue**

This Fresh Issue in terms of this Red Herring Prospectus has been authorized by the Board of Directors pursuant to a resolution dated June 20, 2024 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held on June 20, 2024 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the NSE EMERGE for using its name in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus pursuant to letter dated September 06, 2024. National Stock Exchange of India Limited is the Designated Stock Exchange.

Prohibition by the SEBI or other Governmental Authorities

Our Company, our Group Company, our Promoter, our Promoter Group, our Directors, Person in control of Promoter or Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

Prohibition by RBI

Neither our Company, our subsidiaries, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “Outstanding Litigations And Material Development” beginning on page 209 of the Red Herring Prospectus.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this Issue.

Our Company is eligible for the Issue in accordance with the Regulation 229 (2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid-up capital is more than ten crore rupees and upto 25 crores. Our Company shall issue shares to the public and has proposed to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of NSE i.e. NSE EMERGE).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue was 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 62 of this Red Herring Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the BRLM and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 62 of this Red Herring Prospectus.
5. The Post Issue paid up capital of the company will be less than ₹25 Crore.
6. The Company has a track record of at least 3 years as on the date of filling Red Herring Prospectus.
7. The Net-worth of our Company is Positive as per latest audited financial statement.
8. Our Company’s net worth and Operating Profit (earnings before interest, depreciation and tax from operations), based on the Standalone Restated Financial Statements included in this Red Herring Prospectus are set forth below:

(Rs. in Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Worth	4,179.98	3,420.22	2,990.04
Operating Profit	1,334.80	760.85	1,363.21

- (i) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.
- (ii) Operating Profit has defined as earnings before interest, depreciation and tax from operations.

9. The Company will mandatorily facilitate trading in demat securities and entered into agreement with both the depositories.
10. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
11. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
12. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
13. There has been no change in the promoters of the Company in the preceding one year from date of filing application to SME Platform of NSE
14. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.
15. Our Company has a website i.e., www.sweetdreams.in

Other Disclosures:

- 1) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one

year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company in the Red Herring Prospectus.

- 2) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- 3) We have Disclosed the details of the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter "Outstanding Litigations & Material Developments" on page no. 209 of this Red Herring Prospectus.
- 4) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter "Outstanding Litigation & Material Developments" on page no. 209 of this Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the SME platform. National Stock Exchange of India Limited is the Designated Stock Exchange.
- Our Company has entered into an agreement dated May 30, 2024 with NSDL and agreement dated June 07, 2024 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters will be in dematerialized form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy-five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals – Not required as the object of Issue is working capital requirement, general corporate purpose and issue expenses, for details, please refer the chapter "Objects of the Issue" on page no. 99 of this Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE LEAD MERCHANT BANKER,

BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 12, 2024

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad in terms of sections 26, 32 and 33 of the Companies Act,

Disclaimer from our Company and the Book Running Lead Manager

Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the MOU entered between the BRLM (Beeline Capital Advisors Private Limited) and our Company on June 20, 2024 and the Underwriting Agreement dated August 29, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated August 29, 2024 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however,

constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Ahmedabad, Gujarat.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause under Rule 144a of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer Clause of the SME Platform of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/4065 dated September 06, 2024 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Filing

This Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

The copy of the Red Herring Prospectus will not have filed with SEBI and SEBI will not issue any observation on the Red Herring Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus and Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Ministry of Corporate Affairs, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated September 06, 2024 for listing of equity shares on NSE EMERGE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE mentioned above are taken within Three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. V C A N & Company, Chartered Accountants, Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

Experts Opinion

Except for the reports in the section "Financial information of our Company" and "Statement of Possible Tax Benefits" on page 194 and 121 of this Red Herring Prospectus from the Peer Review Auditors and Statutory Auditor, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date of this

Red Herring Prospectus except as disclosed in this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled “Capital Structure” beginning on page 75 of this Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company

Except as stated in the chapter titled “Capital Structure” beginning on page 75 of this Red Herring Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

Except as disclosed in this Red Herring Prospectus, all of our Group/ Associate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Red Herring Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

Option to Subscribe

Equity Shares being offered through the Red Herring Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of Red Herring Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Red Herring

Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on June 20, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled “Our Management” beginning on page 175 of this Red Herring Prospectus.

Our Company has appointed Ms. Sakshi Singh Chauhan Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Sakshi Singh Chauhan

C-929, Stratum at Venus Ground, Nr. Jhansi Ki Rani Statue,
Nehrunagar, Ambawadi, Ahmedabad,
Gujarat- 3800063, India.

Tel. No.: +91 7043106787

E-mail: cs@sweetdreamsindia.com

Website: www.sweetdreams.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non- receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

Except as disclosed in Chapter titled “General Information” beginning on Page 62 of this Red Herring Prospectus; there are no changes in the Auditors of the company during the last three years.

Capitalization of Reserves or Profits

Except as disclosed under section titled “Capital Structure” beginning on page 75 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Red Herring Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “Statement of Possible Tax Benefits” beginning on page 121 of this Red Herring Prospectus.

Purchase of Property

Other than as disclosed in Section “Business Overview” on page 137 of the Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Red Herring Prospectus, other than property, in respect of which:

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “Our Management” beginning on page 175 And Restated Statement of Related Party Transactions” under chapter titled “Financial Information of our Company” beginning on page 194 of the Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provision of security laws, if any granted by SEBI

As on date of Red Herring Prospectus, our company has not availed any exemption from complying with any provision of security laws granted by SEBI

Statement on Price Information of Past Issues handled by Beeline Capital Advisors Private Limited:**SME IPO:**

SWEET DREAMS

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Emmforce Autotech Limited	53.90	98.00	April 30, 2024	186.20	92.14% (+0.03%)	79.85% (+9.20%)	N.A.
2.	Winsol Engineers Limited	23.36	75.00	May 14, 2024	365.00	380.00% (+4.97%)	N.A.	N.A.
3.	Piotex Industries Limited	14.47	94.00	May 17, 2024	109.00	-4.26% (+4.16%)	N.A.	N.A.
4.	Rulka Electricals Limited	26.40	235.00	May 24, 2024	525.00	98.19% (+2.37)	N.A.	N.A.
5.	Beacon Trusteeship Limited	32.52	60.00	June 04, 2024	90.00	117.67% (+10.98)	N.A.	N.A.
6.	United Cotfab Limited	36.28	70.00	June 24, 2024	75.00	0.24% (+3.99%)	N.A.	N.A.
7.	Didigul Farm Product Limited	34.83	54.00	June 27, 2024	102.60	109.54% (+2.79%)	N.A.	N.A.
8.	Sati Polycast Limited	17.36	130.00	July 22, 2023	259.00	62.00% (+0.77%)	N.A.	N.A.
9.	V.L.Infraprojects Limited	18.52	42.00	July 30, 2024	79.80	148.81% (+0.78%)	N.A.	N.A.
10.	Ashapura Logistic Limited	52.66	144.00	August 06, 2024	185.00	-3.16% (+5.03%)	N.A.	N.A.
11.	Positron Energy Limited	51.21	250.00	August 20, 2024	475.00	N.A.	N.A.	N.A.
12.	Indian Phosphate Limited	67.36	99.00	September 03, 2024	188.10	N.A.	N.A.	N.A.
13.	Mach Conferences and Events Limited	125.28	225	September 11, 2024	300.00	N.A.	N.A.	N.A.

Source: Price Information www.bseindia.com and www.nseindia.com, Issue Information from respective Prospectus.

MAIN BOARD IPO:

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
	NIL							

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Issues) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

Note:

1. The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.
2. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30th / 90th/180th Calendar days from listing.
3. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30th / 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
4. In case 30th/ 90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

SME IPO:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 th calendar day from listing date			Nos. of IPO trading at premium as on 30 th calendar day from listing date			Nos. of IPO trading at discount as on 180 th calendar day from listing date			Nos. of IPO trading at premium as on 180 th 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 %
2024-25	15	591.45	-	-	2	9	-	1	-	-	-	-	-	-
2023-24	21	770.18	-	-	3	13	3	2	-	2	2	8	1	1
2022-23	12	232.94	-	1	2	3	2	4	-	1	1	3	2	5
2021-22	N.A.													

MAIN BOARD IPO:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 th calendar day from listing date			Nos. of IPO trading at premium as on 30 th calendar day from listing date			Nos. of IPO trading at discount as on 180 th calendar day from listing date			Nos. of IPO trading at premium as on 180 th 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 %
2024-25	NIL													
2023-24	NIL													
2022-23	NIL													
2021-22	N.A													

Notes:

1. Issue opening date is considered for calculation of total number of IPO's in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

Source: www.bseindia.com and www.nseindia.com

TRACK RECORD OF PAST ISSUES HANDLED BY BOOK RUNNING LEAD MANAGER

For details regarding track record of the Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.beelinemb.com

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the 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 Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the 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 in the Issue.

SECTION XIII – ISSUE RELATED INFORMATION**TERMS OF THE ISSUE**

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Authority for the Issue

The present Public Issue of Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 20, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on June 20, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013. Expenses for the Issue shall be borne our Company in the manner specified in chapter titled “Objects of the Issue” beginning from page 99.

Ranking of Equity Shares

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and SEBI ICDR Regulations, SCRA, SCRR, our MoA and AoA and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “Dividend Policy” and “Description of Equity Shares and Terms of the Articles of Association” beginning from page 193 and 284 of this Red Herring Prospectus.

Face Value and Issue Price and Price Band

The face value of each Equity Share is ₹10 and the Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Gujarati Edition of Financial Express, a regional newspaper each with widecirculation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, alongwith the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum ApplicationForms available on the website of the Stock Exchange. The Issue Price shall be determined

by our Company and in consultation with the BRLM, after the Bid/ Issue 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 of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

Our Company shall comply with all the 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 Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “Description of Equity Shares and terms of the Articles of Association” beginning on page 284 of the Red Herring Prospectus.

Allotment only in Dematerialised Form

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated May 30, 2024 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated June 07, 2024 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Minimum Application Value, Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders in case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

ISSUE PROGRAM

Events	Indicative Dates
Bid/Offer Opening Date	September 20, 2024
Bid/Offer Closing Date	September 24, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about September 25, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about September 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about September 26, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about September 27, 2024

Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. 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.

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated 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 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 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 two 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 two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking.

The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 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 the 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 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidders on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE SME taking into account the total number of applications received up to the closure of timings.

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

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

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. 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. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and the Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after the issuer becomes liable to pay the amount, the issuer shall pay interest as prescribed under law.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty). Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lac only) per application.

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

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 75 of the Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer sub-heading " Description of Equity Shares and terms of the Articles of Association " on page 284 of the Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Allotment of Securities in Dematerialised Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the paid up Capital of the company is more than ₹10 crores and up to ₹ 25 crores, we may migrate equity shares to the main board of the stock exchanges if shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if Company fulfils the eligibility criteria for listing laid down by the Main Board

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

OR

Where the post- Offer face value capital of the Company listed on a SME exchange is likely to increase beyond twenty five crore rupees by virtue of any further Offer of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its specified securities listed on a SME exchange to the Main Board and seek listing of the specified securities proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board:

Provided that no further Issue of capital by the Company shall be made unless;

- a) the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of NSE, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 62 of the Red Herring Prospectus.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) All Editions of English National Newspaper, Financial Express; (ii) All editions of Hindi National Newspaper, Jansatta and (iii) Regional Newspaper, Financial Express (Gujarati Edition) each with wide circulation. In the pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. 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 the SEBI Regulations.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, Gujarat.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than Rs. 10 Crores and upto 25 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 244 and 255 of the Red Herring Prospectus.

The Issue comprise of a Public Issue of upto 49,60,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of [●] per Equity Shares (including a premium of [●] per equity share) aggregating to [●] lakhs (“the issue”) by our Company of which upto 2,50,000 Equity Shares of [●] each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of upto 47,10,000 Equity Shares of [●] each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 26.49% and 25.16% respectively of the post issue paid up Equity Share Capital of the Company.

Our Company, in consultation with the BRLM, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus. 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 completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Issue and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

The Issue is being made by way of Book Building Process

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to 2,50,000 Equity Shares	Not more than 23,54,000 Equity Shares.	Not less than 7,07,000 Equity Shares	Not less than 16,49,000 Equity Shares
Percentage of offer Size available for allocation	[●]% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net 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 QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment ⁽³⁾	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares) may be allocated on a discretionary basis	Proportionate	Proportionate

SWEET DREAMS

		to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Bid	Only through the ASBA process.		Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds Rs 2,00,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs 2,00,000
Trading Lot	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) 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. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾			
Mode of Bid	Only through the ASBA process (except for Anchor Investors)			

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “Issue Structure” on page 251 of the Red Herring Prospectus.

- (1) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to 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 price Anchor Investor Allocation Price.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

Bidders will be required to confirm and will be deemed to have represented to our Company, 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.

Subject to valid Bids being received at or above the Issue 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 in consultation with the Book Running Lead Manager 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.

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

Bid/Issue Programme:

Events	Indicative Dates
Bid/Issue Opening Date	September 20, 2024
Bid/ Issue Closing Date	September 24, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about September 25, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about September 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about September 26, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about September 27, 2024

Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. 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.

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- A standard cut-off time of 3.00 p.m. for acceptance of applications.
- A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

All Bidders should read 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 which is part of the abridged prospectus accompanying the Bid cum Application Form. 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 Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) 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 was mandated 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/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI 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.

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.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and 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 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 the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and 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 QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the 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 Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to NonInstitutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, 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 Issue, subject to applicable laws.

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.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing 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. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism.

Phase III: The commencement period of Phase III is notified. In this phase, the time duration from public issue closure to listing is reduced to three Working Days.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers 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 Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant 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. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs 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.
- ii. RIIs 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.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Issue through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA 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.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

*Excluding Electronic Bid cum Application Form

** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not

submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are

deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/ Issue Opening Date.

Bid cum application for for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Gujarati Edition of Financial Express, where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Gujarati Edition of Financial Express where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 255 of this Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a

specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants have to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated

Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown

graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized

stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

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 reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to 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
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves 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 BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable

for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

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 reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its 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. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “S D Retail Limited IPO – Anchor Account- R”
- b. In case of Non-Resident Anchor Investors: — “S D Retail Limited IPO – Anchor Account- NR”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,

- b) the applications uploaded by them
- c) the applications accepted but not uploaded by them or
- d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
- (i) The applications accepted by any Designated Intermediaries
- (ii) The applications uploaded by any Designated Intermediaries or
- (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum

Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

Withdrawal of Bids

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock

Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

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

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

Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC

- Our company has entered into an Underwriting Agreement dated August 29, 2024
- A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- Issue advertisement, we shall state the Bid Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. 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 the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will Issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Issue period and withdraw their Bids until Bid/ Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

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;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the 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;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. 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;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. 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 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;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid

cum Application Form; and

27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

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 Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed Rs. 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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 Applicant;
14. 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;
15. 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);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre- Issue or post Issue related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the

Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

- (a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- (b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

GROUND OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm assuch shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified inthe DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable forthe value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cumApplication Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of theBidders (including the order of names of joint holders),the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;

- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand

under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
 - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹2 crores;

a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and

- in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category,

the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application

Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

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."

Undertakings by Our Company

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Issue after the Bid/ Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Issue after the Bid/ Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;

- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated May 30, 2024 between NSDL, the Company and the Registrar to the Issue;
- b) Tripartite Agreement dated June 07, 2024 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0X6F01017

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction –Foreign Investment In India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted

basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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 Application 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 Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION XIV – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. 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.

Sr. No.	Particulars	Headings
CONSTITUTION OF THE COMPANY		
1.	The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company. "Public Company" means a company which- (a) is not a private company (b) has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital, as may be prescribed:.	Constitution
INTERPRETATION CLAUSE		
2.	The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context: a. 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.' b. The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles. c. 'The Company' or 'This Company' means S D RETAIL LIMITED . d. 'Directors' means the Directors for the time being of the Company. e. 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing. f. 'Members' means members of the Company holding a share or shares of any class. g. 'Month' shall mean a calendar month. h. 'Paid-up' shall include 'credited as fully paid-up'. i. 'Person' shall include any corporation as well as individual. j. 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires. k. 'Section' or 'Sec.' means Section of the Act. l. Words importing the masculine gender shall include the feminine gender. m. Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular. n. 'Special Resolution' means special resolution as defined by Section 114 in the Act. o. 'The Office' means the Registered Office for the time being of the Company p. 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013. q. 'Proxy' includes Attorney duly constituted under a Power of Attorney.	Interpretation
3.	Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company	
4.	The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.	
5.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 at a discount (subject to compliance with the provisions of the	

	Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person. Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.	
6.	The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.	
7.	The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely: I. (a.) Such further shares shall be offered to the persons who, at the date of the offer, are holder 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. (b.) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. (c.) 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 favour of any other person and the notice referred to in clause (b) shall contain a statement of this right. (d.) After the expiry of the time specified in the notice aforesaid, or in respect 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 it thinks most beneficial to the Company. II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any. III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by: (a.) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and (b.) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.	
8.	(1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General	

	Meeting of the holders of the shares of that class. (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.	
9.	Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking <i>pari passu</i> there with	Issue of further shares with disproportionate rights
10.	The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.	Not to issue shares with disproportionate rights
11.	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.	Power to pay commission
12.	The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares	Liability of joint holders of shares
13.	Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.	Trust not recognised
14.	a. The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares. b. As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.	Issue other than for cash
15.	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.	Acceptance of shares
16.	1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment: a. One certificate for all his shares; or b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge. 2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide. 3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up there on.	Member' right to share Certificates

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	4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.	
17.	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below	One Certificate for joint holders
18.	If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.	Renewal of Certificate
19.	For every certificate issued under the last preceding Article, no fee shall be charged by the Company.	
20.	The shares of the Company will be split up/consolidated in the following circumstances: (i.) At the request of the member/s for split up of shares in marketable lot. (ii.) At the request of the member/s for consolidation of fraction shares into marketable lot.	Splitting and consolidation of Share Certificate
21.	Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.	Directors may issue new Certificate(s)
22.	If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.	Person by whom installments are payable
LIEN		
23.	The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.	Company's lien on shares
24.	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.	As to enforcing lien by sale
25.	a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.	Authority to transfer
26.	The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.	Application of proceeds of sale
CALLS ON SHARES		
27.	Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof	Calls

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	made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.	
28.	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.	When call deemed to have been made
29.	Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.	Length of Notice of call
30.	If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.	Sum payable in fixed installments to be deemed calls
31.	If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.	When interest on call or installment payable
32.	The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.	Sums payable at fixed times to be treated as calls
33.	The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.	Payment of call in advance
34.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction there under, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency 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 after provided.	Partial payment not to preclude forfeiture
FORFEITURE OF SHARES		
35.	If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.	If call or installment not paid, notice may be given
36.	On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive	Evidence action by Company against shareholders

	evidence of the debt.	
37.	The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited	Form of Notice
38.	If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.	If notice not complied with, shares may be forfeited
39.	When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.	Notice after forfeiture
40.	A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.	Boards' right to dispose of forfeited shares or cancellation of forfeiture
41.	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.	Liability after forfeiture
42.	The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.	Effect of forfeiture
43.	A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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.	Evidence of forfeiture
44.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.	Non-payment of sums payable at fixed times
45.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of such sales
TRANSFER AND TRANSMISSION OF SHARES		
46.	a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof. b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the	Transfer

	Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit. c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee. d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post. e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.	
47.	Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.	Form of transfer
48.	The Board, may, at its absolute discretion and without assigning any reason, decline to register 1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or 2. Any transfer or transmission of shares on which the Company has alien. a. Provided that registration of any 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 a lien on the shares. b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the 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. c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58. d. The provisions of this clause shall apply to transfers of stock also.	Board's right to refuse to register
49.	a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares. b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents. c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company. d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to: (i.) Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law. (ii.) Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.	Further right of Board of Directors to refuse to register

	(iii.) Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares. (iv.) Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures. (v.) The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company. Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).	
50.	a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares. b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased. Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder. Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member. Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.	Rights to shares on death of a member for transmission
51.	3. 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 be required by the Board and subject as herein, after provided elect either. a. to be registered himself as a holder of the share or b. to make such transfer of the share as the deceased or insolvent member could have made. 4. 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.	Rights and liabilities of person
52.	a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. c. 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 of transfer had been signed by that member.	Notice by such a person of his election
53.	No transfer shall be made to an infant or a person of unsound mind.	No transfer to infant, etc.
54.	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.	Endorsement of transfer and issue of certificate
55.	The instrument of transfer shall, after registration, remain in the custody of the Company.	Custody of transfer

	The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.	
56.	a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register. b. Closure of Register of members The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time. c. When instruments of transfer to be retained All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same	Register of members
57.	The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.	Company's right to register transfer by apparent legal owner
ALTERATION OF CAPITAL		
58.	a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows: 1. increase its share capital by such amount as it thinks expedient by issuing new shares; 2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; 3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination; 4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on 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 shares from which the reduced share is derived. 5. a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. b. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others. 6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.	Alteration and consolidation, sub-division and cancellation of shares
59.	The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law: a. its share capital;	Reduction of capital, etc. by Company

	b. any capital redemption reserve account; or c. any share premium account.	
SURRENDER OF SHARES		
60.	The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.	Surrender of shares
MODIFICATION OF RIGHTS		
61.	The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.	Power of modify shares
SET OFF OF MONEY DUE TO SHAREHOLDERS		
62.	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.	Set-off of moneys due to shareholders
CONVERSION OF SHARES INTO STOCK		
63.	The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa	Conversion of shares
64.	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.	Transfer of stock
65.	The holders of the stock shall, according to the amount of the 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 its 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.	Right of stockholders
66.	Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stock holder respectively.	Applicability of regulations to stock and stockholders
DEMATERIALISATION OF SECURITIES		
67.	a) Definitions For the purpose of this Article: 'Beneficial Owner' means a person or persons whose name is recorded as such with a depository; 'SEBI' means the Securities and Exchange Board of India; 'Depository' means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and 'Security' means such security as may be specified by SEBI from time to time. b) Dematerialisation of securities Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any. c) Options for investors Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security. d) Securities in depositories to be in fungible form All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.	Definitions

	e) Rights of depositories and beneficial owners: (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it. (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository. f) Service of documents Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs. g) Transfer of securities Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository. h) Allotment of securities dealt with in a depository Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities. i) Distinctive numbers of securities held in a depository Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository. j) Register and Index of Beneficial owners The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles. k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository Save as herein otherwise 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 also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any be name trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.	
GENERAL MEETINGS		
68.	The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.	Annual General Meeting
69.	1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit. Right to summon Extraordinary General Meeting 2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.	Extraordinary General Meeting
70.	a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.	Extraordinary Meeting by requisition

	b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office. c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists. d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition. e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.	
71.	A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.	Length of notice for calling meeting
72.	The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.	Accidental omission to give notice not to invalidate meeting
73.	All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.	Special business and statement to be annexed
74.	The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business: Number of members upto 1000: 5 members personally present Number of members 1000-5000: 15 members personally present Number of members more than 5000: 30 members personally present	Quorum
75.	If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour	If quorum not present, when meeting to be dissolved and when to be adjourned

	from the time appointed for the meeting, the members present shall be a quorum	
76.	The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company	Chairman of General Meeting
77.	If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman	When Chairman is absent
78.	The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. 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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.	Adjournment of meeting
79.	At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands / electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution	Questions at General Meeting how decided
80.	In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.	Casting vote
81.	If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken	Taking of poll
82.	A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct	In what cases poll taken without adjournment
83.	a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company. b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period. c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.	Votes
84.	A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand	Business may proceed notwithstanding

SWEET DREAMS

		demand for poll
85.	In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.	Joint holders
86.	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.	Member of unsound mind
87.	No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.	No member entitled to vote while call due to Company
88.	On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force	Proxies permitted on polls
89.	a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not. b. A body corporate (whether a company within the meaning of this Act or not) may: 1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company; 2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made there under, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be. c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.	Instrument of proxy
90.	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.	Instrument of proxy to be deposited at the office
91.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used	Validity of vote by proxy
92.	Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11	Form of proxy
DIRECTORS		
93.	Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15. a. Board of Directors PRESENT DIRECTORS 1. HITESH PRAVINCHANDRA RUPARELIA 2. UTPALBHAI PRAVINCHANDRA RUPARELIA 3. VISHESH JAILESH DALAL 4. SIMERAN BHASIN b. Same individual may be appointed as Chairperson and Managing Director / Chief Executive Officer. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.	Number of Directors

94.	Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.	
95.	Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director	Qualification of Directors
96.	a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made there under. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings. b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit. c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors. d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.	Director's remuneration
97.	The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below: Chairman or Vice-chairman of the Board	Directors may act notwithstanding vacancy
98.	a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board. b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.	
99.	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.	Casual vacancy
VACATION OF OFFICE BY DIRECTORS		
100.	The office of a Director shall be vacated if: 1. he is found to be unsound mind by a Court of competent jurisdiction; 2. he applies to be adjudicated as an insolvent;	Vacation of office by Directors

	3. he is an un discharge din solvent; 4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; 5. 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; 6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force. 7. he has not complied with Subsection (3) of Section 152 8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years. 9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board; 10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184. 11. he becomes disqualified by an order of a court or the Tribunal. 12. he is removed in pursuance of the provisions of the Act, 13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; not withstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect: 1. for thirty days from the date of the adjudication, sentence or order; 2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or 3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.	
101.	a. The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause "the Original Director" during his absence for a period of not less than 3 months from India. b. An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India. Independent Directors c. (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time. (ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation. Women Director d. The Directors shall appoint at least one women director as per the requirements of section 149 of the Act. Key Managerial Personnel e. 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;	Alternate Directors

	(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles	
102.	The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company Proportion of retirement by rotation a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act	Additional Directors
103.	Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.	Debenture
104.	a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as "The Corporation") out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or installments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s). b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and 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 appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s. The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the	Corporation/Nominee Director

	same shall accordingly be paid by the Company directly to the Corporation. c. The Corporation may at any time and from time to time remove any such Corporation Director appointed 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 Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.	
105.	a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest. Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company. b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company	Disclosure of interest of Directors
106.	Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company	Rights of Directors
107.	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013	Directors to comply with Section 184
108.	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid	Directors power of contract with Company
ROTATION OF DIRECTORS		
109.	At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.	Rotation and retirement of Directors
110.	A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto	Retiring Directors eligible for re-election
111.	The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.	Which Directors to retire
112.	Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have	Retiring Directors to remain in office till successors are appointed

	been reappointed at the adjourned meeting.	
113.	Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.	Power of General Meeting to increase or reduce number of Directors
114.	Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.	Power to remove Directors by ordinary resolution
115.	Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".	Rights of persons other than retiring Directors to stand for Directorships
116.	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.	Register of Directors and KMP and their shareholding
117.	The business of the Company shall be carried on by the Board of Directors.	Business to be carried on
118.	The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.	Meeting of the Board
119.	A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.	Director may summon meeting
120.	a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board. b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.	Question how decided
121.	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose. Quorum The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting there from the number of Directors, if any, whose places are vacant at the time.	Right of continuing Directors when there is no quorum
122.	If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if	Election of Chairman

	at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.	to the Board
123.	a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit. Delegation of powers b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement. c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.	Power to appoint Committees and to delegate
124.	The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.	Proceedings of Committee
125.	a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their numbers to be Chairman of the meeting. b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.	Election of Chairman of the Committee
126.	c. A Committee may meet and adjourn as it thinks proper. d. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.	Question how determined
127.	All acts done by any meeting of the Board or 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 any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.	Acts done by Board or Committee valid, notwithstanding defective appointment, etc..
128.	Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.	Resolution by circulation
POWERS AND DUTIES OF DIRECTORS		
129.	The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.	General powers of Company vested in Directors
130.	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of anybody or persons whether nominated directly or indirectly by the	Attorney of the Company

	Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.	
131.	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.	Power to authorise sub delegation
132.	The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.	Directors' duty to comply with the provisions of the Act
133.	In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.	Special power of Directors
134.	a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit. To pay for property in debentures, etc. b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid- up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. To secure contracts by mortgages c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit. To appoint officers, etc. d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit. e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company. To refer to arbitration f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards. To give receipt g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company. To act in matters of bankrupts and insolvents h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.	To acquire and dispose of property and rights

	To give security by way of indemnity i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon. To give commission j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company. To make contracts etc. k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company. To make bye-laws l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants. To set aside profits for provided fund m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit. To make and alter rules n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit. o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.	
135.	a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply: b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf. c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose. d. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit. e. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and	Managing Director

	restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.	
136.	1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf. 2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.	Whole-time Director
137.	The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.	Secretary
138.	Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.	Powers as to commencement of business
139.	Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.	Delegation of power
BORROWING		
140.	a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock	Borrowing Powers

	of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.	
141.	Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.	Assignment of debentures
142.	a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting. b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents. c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act. d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors. e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of the seprents shall not at any time exceed one-third of the whole number of Directors for the time being.	Terms of debenture issue
143.	Any uncalled capital of the Company may be included in or charged by mortgage or other security.	Charge on uncalled capital
144.	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.	Subsequent assignees of uncalled capital
145.	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.	Charge in favour of Director of indemnity

146.	a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board. (a.) to make calls on shareholders in respect of money unpaid on their shares; (b.) to authorise buy-back of securities under section 68; (c.) to issue securities, including debentures, whether in or outside India; (d.) to borrow monies; (e.) to invest the funds of the company; (f.) to grant loans or give guarantee or provide security in respect of loans; (g.) to approve financial statement and the Board's report; (h.) to diversify the business of the company; (i.) to approve amalgamation, merger or reconstruction; (j.) to take over a company or acquire a controlling or substantial stake in another company; (k.) to make political contributions; (l.) to appoint or remove key managerial personnel(KMP); (m.)to take note of appointment(s) or removal(s) of one level below the Key Management Personnel; (n.) to appoint internal auditors and secretarial auditor; (o.) to take note of the disclosure of director's interest and shareholding; (p.) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company; (q.) to invite or accept or renew public deposits and related matters; (r.) to review or change the terms and conditions of public deposit; (s.) to approve quarterly, half yearly and annual financial statements or financial results as the case maybe. (t.) such other business as may be prescribed by the Act. b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above. c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate. d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate. e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount up to which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.	Powers to be exercised by Board only at meeting
147.	The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.	Register of mortgage to be kept
148.	Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection	Register of holders of debentures
149.	The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.	Inspection of copies of and Register of Mortgages
150.	The Company shall comply with the provisions of the Companies Act, 2013, as to	Supplying copies of

	supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.	register of holder of debentures
151.	Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.	Right of holders of debentures as to Financial Statements
152.	a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board. b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.	Minutes
153.	All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.	Managing Director's power to be exercised severally
MANAGER		
154.	Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.	Manager
COMMON SEAL		
155.	The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.	Common Seal
156.	The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other personas may, from time to time, be authorized by the Board and provided never the less that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.	Affixture of Common Seal
DIVIDENDS AND RESERVES		
157.	The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity share holders	Rights to Dividend
158.	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.	Declaration of Dividends
159.	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.	What to be deemed net profits
160.	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.	Interim Dividend
161.	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.	Dividends to be paid out of profits only
162.	a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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. b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.	Reserve Funds
163.	a. Subject to the rights of persons, if any, entitled to share 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.	Method of payment of dividend

	b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share. c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.	
164.	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 in relation to the shares of the Company or otherwise.	Deduction of arrears
165.	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.	Adjustment of dividend against call
166.	a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct. b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.	Payment by cheque or warrant
167.	The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same. Receipt of joint holders (A.) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act: a. transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and b. Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act".	Retention in certain cases
168.	Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.	Deduction of arrears
169.	Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.	Notice of Dividends
170.	No dividend shall bear interest against the Company.	Dividend not to bear interest
171.	No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.	Unclaimed Dividend
172.	Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.	Transfer of share not to pass prior Dividend
173.	a. The Company in General Meeting, may on the recommendation of the Board, resolve: 1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from 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 amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and 2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed	Capitalisation of Profits

	by way of dividend and in the same proportion. b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Sub clause (3) either in or towards: 1. paying up any amount for the time being unpaid on any share held by such members respectively; 2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or 3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii). c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares. d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.	
174.	a. Whenever such a resolution as aforesaid shall have been passed, the Board shall: 1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and 2. generally do all acts and things required to give effect thereto. b. The Board shall have full power: 1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also; 2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares. c. Any agreement made under such authority shall be effective and binding on all such members.	Powers of Directors for declaration of Bonus
ACCOUNTS		
175.	a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company. b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions. c. The books of accounts shall be open to inspection by any Director during business hours.	Books of account to be kept
176.	The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.	Where books of account to be kept
177.	The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.	Inspection by members
178.	The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.	Statement of account to be furnished to General Meeting
179.	Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.	Financial Statements
180.	a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.	Authentication of Financial Statements

	b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report there on.	
181.	The Auditor's Report shall be attached to the financial statements	Auditors Report to be annexed
182.	a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend. b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of there port. c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report. d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article181. e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.	Board's Report to be attached to Financial Statements
183.	The Company shall comply with the requirements of Section 136.	Right of member to copies of Financial Statements
184.	The Company shall make the requisite annual return in accordance with Section 92 of the Act.	Annual Returns
AUDIT		
185.	a. Every Financial Statement shall be audited by one or more Auditors to be appointed as here in after mentioned. b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor. c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders. d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy. e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government. f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and 2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors. g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where	Accounts to be audited

	such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting. h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed. i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act. j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.	
186.	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.	Audit of Branch Offices
187.	The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.	Remuneration of Auditors
188.	a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor. b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view: 1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and 2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year. d. The Auditor's Report shall also state: (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements; (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him; (c) whether the report on the accounts of any branch office of the company audited under sub-section(8) by apers on other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report; (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns; (e) whether, in his opinion, the financial statements comply with the accounting standards; (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company; (g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;	Rights and duties of Auditors

	(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected there with; (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls; (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement; (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts; (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company. e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub- clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer. f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.	
189.	Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.	Accounts whether audited and approved to be conclusive
190.	A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.	Service of documents on the Company
191.	a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgment or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him. b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares. c. Where a document is sent by post: d. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected; a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.	How documents to be served to members
192.	Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.	Members to notify address in India
193.	If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.	Service on members having no registered address in India
194.	A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might	Service on persons acquiring shares on death or insolvency of members

	have been served if the death or insolvency had not occurred.	
195.	Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.	Notice valid though member deceased
196.	Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to; a. every member of the company, legal representative of any deceased member or the assignee of an insolvent member; b. the auditor or auditors of the company; and c. every director of the company. Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.	Persons entitled to Notice of General Meeting
197.	a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated. b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.	Advertisement
198.	Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.	Transference, etc. bound by prior notices
199.	Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written	How notice to be signed
200.	Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.	Authentication of document and proceeding
201.	Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.	Winding up
202.	If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.	Division of assets of the Company in specie among members

INDEMNITY AND RESPONSIBILITY		
203.	a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee. b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.	Directors' and others' right to indemnity
204.	Subject to the provisions of Section 197 of the Act, no 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 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 and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default	
SECRECY CLAUSE		
205.	a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public. b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.	Secrecy Clause
REGISTERS, INSPECTION AND COPIES THEREOF		
206.	a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.	Registers, Inspection And Copies Thereof

SWEET DREAMS

	b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.	
GENERAL AUTHORITY		
207.	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.”	General Authority

SECTION XV – OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies, for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected online with Registrar of Companies and at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Issue Closing Date and online at website of company www.sweetdreams.in

Material Contracts

1. Memorandum of Understanding dated June 20, 2024 between our Company Book Running Lead Manager to the Issue.
2. Agreement dated June 20, 2024 executed between our Company and the Registrar to the Issue (Kfin Technologies Limited)
3. Market Making Agreement dated August 29, 2024 between our Company, Book Running Lead Manager and Market Maker.
4. Banker to the Issue Agreement dated August 29, 2024 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated August 29, 2024 between our Company, Book Running Lead Manager and Underwriters.
6. Tripartite Agreement dated June 07, 2024 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated May 30, 2024 among NSDL, the Company and the Registrar to the Issue.
8. Syndicate Agreement dated August 29, 2024 between our Company, Book Running Lead Manager and Syndicate Member.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated May 14, 2004 issued by the Registrar of Companies, Mumbai.
3. Fresh Certificate of Incorporation dated June 19, 2024 issued by the Registrar of Companies, consequent upon Conversion of the Company to Public Company.
4. Copy of the Board Resolution dated June 20, 2024 authorizing the Issue and other related matters.
5. Copy of Shareholder's Resolution dated June 20, 2024 authorizing the Issue and other related matters.
6. Copies of Standalone Audited Financial Statements of our Company for the years ended March 31, 2024, 2023 & 2022.
7. Peer Review Auditors Report dated September 06, 2024 on Restated Standalone Financial Statements of our Company for the years ended March 31, 2024, 2023 & 2022.
8. Industry Report issued by "India Sleepwear Market Overview, 2029" issued by Bonafide Research and Marketing Pvt. Ltd.
9. Copy of the Statement of Tax Benefits dated June 21, 2024 from the Peer Review Auditor.
10. Search Report issued by, Practicing Company Secretary, Monika Chechani & Associates dated June 26, 2024.
11. Certification from Monika Chechani & Associates, Practicing Company Secretary dated June 26, 2024, regarding eligibility of Independent Director under Section 149(6) of Companies Act, 2013.
12. Certificate from M/s. V CAN and Company, Chartered Accountants, Ahmedabad, dated September 07, 2024 regarding the Working Capital Requirement of the company.
13. Certificate from M/s. V CAN and Company, Chartered Accountants, Ahmedabad, dated September 07, 2024 regarding Basis of Issue Price and Key Performance Indicators.
14. Certificate from M/s. V CAN and Company, Chartered Accountants, Ahmedabad, dated September 07, 2024 regarding the source and deployment of funds towards the objects of the Issue.
15. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to our Company, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to, in their respective capacities.
16. Board Resolution dated June 27, 2024 for approval of Draft Red Herring Prospectus, dated September 12, 2024 for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
17. Due Diligence Certificate from Book Running Lead Manager dated June 27, 2024 filed with NSE and September 12, 2024 filed with SEBI.

18. Approval from NSE vide letter dated September 06, 2024 to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE EMERGE.

Any of the contracts or documents mentioned in the Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Mr. Hitesh Pravinchandra Ruparelia
Chairman & Managing Director
DIN: 00490790

Date – September 12, 2024
Place – Ahmedabad, Gujarat

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Mr. Utpalbhai Pravinchandra Ruparelia
Whole-Time Director
DIN: 00300525

Date – September 12, 2024
Place – Ahmedabad, Gujarat

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Mrs. Simeran Bhasin

Non-Executive Director

DIN: 07482286

Date – September 12, 2024

Place – Ahmedabad, Gujarat

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Mr. Vishesh Jailesh Dalal

Nominee Director

DIN: 03250002

Date – September 12, 2024

Place – Ahmedabad, Gujarat

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Mr. Manish Kapoor
Independent Director
DIN:08415273

Date – September 12, 2024
Place – Ahmedabad, Gujarat

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY:

Mr. Harshil Rajendrabhai Patel
Independent Director
DIN: 09606743

Date – September 12, 2024
Place – Ahmedabad, Gujarat

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Mr. Ritesh Surendra Saraogi
Chief Financial Officer

Date – September 12, 2024
Place – Ahmedabad, Gujarat

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Red Herring Prospectus. No statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:

Ms. Sakshi Singh Chauhan

Company Secretary and Compliance Officer

Date – September 12, 2024

Place – Ahmedabad, Gujarat