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MEGA FLEX PLASTICS LIMITED

CIN: U25209WB2003PLC097273

Draft Prospectus
Dated: July 25, 2022
Please read section 26 & 32 of the
Companies Act, 2013
100% Fixed Price Issue

Registered & Corporate Office	Contact Person	Email and Telephone	Website
4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India	Mrs. Parul Mantri, Company Secretary & Compliance Officer	Email ID: compliance@megaflex.in Tel No: +91 98742 45045	www.megaflex.co.in

NAMES OF PROMOTERS OF THE COMPANY

(i) M/s. Channel Plastics Private Limited, (ii) Mr. Rakesh Sethia, (iii) Mr. Mohan Lal Parakh, and
(iv) Mr. Hukum Chand Bothra

DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS

Type	Fresh Issue Size	OFS Size	Total Issue Size	Eligibility – 229(1) / 229(2) & Share Reservation amount QIB, NII & RII
Fresh Issue	₹1,140.00 Lakhs	Nil	₹1,140.00 Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, as the Company's post-issue Paid-up capital would be more than ₹10.00 (Ten) Cr. and up to ₹25.00 (Twenty-Five) Cr. Share Reservation: Minimum 50% to the Retail individual investors. Minimum 5% to the Market Maker.

OFS: Offer for Sale

Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders:

- NIL -

RISKS IN RELATION TO THE FIRST ISSUE – The face value of the Equity Shares is ₹10/- each. The Issue Price of ₹40/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “*Basis for Issue Price*” on page 66 of this draft prospectus) 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 or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 20 of this Draft Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the **SME 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 “in-principle” approval letter dated [●] from **National Stock Exchange of India Limited** (“NSE”) for using its name in the Offer Document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the **Designated Stock Exchange** will be the **National Stock Exchange of India Limited** (“NSE”).

LEAD MANAGER TO THE ISSUE



FINSHORE

Creating Enterprise Managing Values

FINSHORE MANAGEMENT SERVICES LIMITED
Anandlok Building, Block-A, 2nd Floor, Room No. 207,
227 A.J.C Bose Road, Kolkata-700020, West Bengal, India
Contact Person: Mr. S. Ramakrishna Iyengar
Telephone: 033 – 2289 5101 / 4603 2561
Email: ramakrishna@finshoregroup.com

REGISTRAR TO THE ISSUE



CAMEO

CAMEO CORPORATE SERVICES LIMITED
"Subramanian Building", #1, Club House Road,
Chennai - 600 002, India
Contact Person: Ms. K. Sreepriya
Telephone: +91 – 44 – 40020700
Email: investor@cameoindia.com

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]



Draft Prospectus
Dated: July 25, 2022
Please read section 26 & 32 of the
Companies Act, 2013
100% Fixed Price Issue

MEGA FLEX PLASTICS LIMITED

Our Company was originally incorporated as a Private Limited Company in the name of “*Mega Flex Plastics Private Limited*” on November 18, 2003 under the provisions of the Companies Act, 1956 bearing Corporate Identification Number “U25209WB2003PTC097273” issued by the Registrar of Companies – West Bengal. Subsequently, our company was converted into a Public Limited Company under the provisions of the Companies Act, 1956, and the name of our Company was changed to “*Mega Flex Plastics Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated February 01, 2007 bearing Corporate Identification Number U25209WB2003PLC097273 issued by the Registrar of Companies – West Bengal. For further details of the change in name and registered office of our Company, please refer to the section titled “Our History and Certain Corporate Matters” beginning on page no 110 of the Draft Prospectus.

Registered office: 4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India
Contact Person: Mrs. Parul Mantri, Company Secretary & Compliance Officer; **Tel No:** +91 98742 45045
E-Mail ID: compliance@megaflex.in; **Website:** www.megaflex.co.in; **CIN:** U25209WB2003PLC097273

OUR PROMOTERS: (I) M/S. CHANNEL PLASTICS PRIVATE LIMITED, (II) MR. RAKESH SETHIA, (III) MR. MOHAN LAL PARAKH AND (IV) MR. HUKUM CHAND BOTHRA

THE ISSUE

INITIAL PUBLIC OFFER OF 28,50,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF MEGA FLEX PLASTICS LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹40/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹30/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹1,14,00,00,000 LAKHS (“THE ISSUE”), OF WHICH 1,44,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹40/- PER EQUITY SHARE, AGGREGATING TO ₹57.60 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 27,06,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹40/- PER EQUITY SHARE, AGGREGATING TO ₹1,08,24,00,000 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.52% AND 25.18% RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS ₹ 40/- EACH i.e., 4 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 3,000 EQUITY SHARES

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENT) REGULATIONS, 2018 (THE “SEBI ICDR REGULATIONS”) READ WITH RULE 19(2)(b)(i) OF SCRR AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, 2018. (For further details please see “*The Issue*” beginning on page no. 34 of this Draft Prospectus.) A copy will be delivered for filing to the Registrar of Companies as required under sub-section 4 of Section 26 of the Companies Act, 2013.

In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about 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/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. (For details in this regard, specific attention is invited to “*Issue Procedure*” beginning on page no. 205 of this Draft Prospectus.)

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹10/- each and the issue price is 4 times of face value of the equity share. The issue price should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or 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 this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities 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 document. Specific attention of investors is invited to the statement of “*Risk factors*” beginning on page no. 20 of this Draft Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document 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 make this document 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 of our company issued through this Draft Prospectus are proposed to be listed on the **SME EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”)**. In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received “in-principal” approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the NSE EMERGE. For the purposes of the issue, the **Designated Stock Exchange** will be **National Stock Exchange of India Limited (“NSE”)**.

LEAD MANAGER TO THE ISSUE

 **FINSHORE**
Creating Enterprise Managing Values
FINSHORE MANAGEMENT SERVICES LIMITED
 Anandlok Building, Block-A, 2nd Floor, Room No. 207,
 227 A.J.C Bose Road, Kolkata-700020, West Bengal
Telephone: 033 – 2289 5101 / 4603 2561
Email: ramakrishna@finshoregroup.com
Contact Person: Mr. S. Ramakrishna Iyengar
Website: www.finshoregroup.com
Investor Grievance Email: info@finshoregroup.com
SEBI Registration No: INM000012185
CIN: U74900WB2011PLC169377

REGISTRAR TO THE ISSUE

 **CAMEO**
CAMEO CORPORATE SERVICES LIMITED
 "Subramanian Building", #1, Club House Road,
 Chennai - 600 002, India
Contact Person: Ms. K. Sreepriya
Tel. No: 044 – 40020700;
E-mail: investor@cameoindia.com;
Website: www.cameoindia.com;
Investor Grievance Email: investor@cameoindia.com;
SEBI Registration No: INR000003753
CIN: U67120TN1998PLC041613

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

TABLE OF CONTENT

PARTICULARS	PAGE No.
SECTION I: GENERAL	
Definitions and Abbreviations	01-11
Certain Conventions, Use of Financial Industry and Market Data, and Currency Presentation	12-13
Forward Looking Statements	14-14
SECTION II: SUMMARY OF DRAFT PROSPECTUS	
Summary of Draft Prospectus	15-19
SECTION III: RISK FACTORS	
Risk Factors	20-33
SECTION IV: INTRODUCTION	
The Issue	34-34
Summary of Financial Information	35-37
SECTION V: GENERAL INFORMATION	
General Information	38-44
SECTION VI: CAPITAL STRUCTURE	
Capital Structure	45-60
SECTION VII: PARTICULARS OF THE ISSUE	
Objects of The Issue	61-65
Basis for Issue Price	66-67
Statement of Possible Tax Benefits	68-70
SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY	
Industry Overview	71-87
Our Business	88-103
Key Industry Regulations and Policies	104-109
Our History and Certain Corporate Matters	110-114
Our Management	115-127
Our Promoters and Promoter Group	128-133
Group Entities of Our Company	134-137
Related Party Transactions	138-138
Dividend Policy	139-139
SECTION IX: FINANCIAL INFORMATION	
Financial Statements as Restated	140-166
Financial Indebtedness	167-168
Management's Discussion and Analysis of Financial Conditions and Results of Operations	169-175
SECTION X: LEGAL AND OTHER INFORMATION	
Outstanding Litigation and Material Developments	176-181
Government and Other Approvals	182-185
Other Regulatory and Statutory Disclosures	186-196
SECTION XI: ISSUE INFORMATION	
Terms of The Issue	197-202
Issue Structure	203-204
Issue Procedure	205-222
Restrictions on Foreign Ownership of Indian Securities	223-223
Description of Equity Shares and Terms of the Articles of Association	224-236
SECTION XII: OTHER INFORMATION	
Material Contracts and Documents for Inspection	237-237
Declaration	238-238

SECTION I: GENERAL

DEFINITION AND ABBREVIATIONS

This draft prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto as amended from time to time.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this draft prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

General Terms

TERMS	DESCRIPTIONS
“Mega Flex Plastics Limited”, “Mega Flex”, “MFPL” “The Company”, “Our Company”, “Issuer Company” or “Issuer”	Unless the context otherwise indicates or implies, <i>Mega Flex Plastics Limited</i> , a public limited company incorporated under the provision of Companies Act, 1956 and having its Registered Office at 4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India
“we”, “our” or “us”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies.
Our Promoters or Promoters of the Company	The promoters of our company being <i>M/s. Channel Plastics Private Limited, Mr. Rakesh Sethia, Mr. Mohan Lal Parakh and Mr. Hukum Chand Bothra</i> .
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed under Section titled “Our Promoters and Promoter Group”

Company Related Terms

TERMS	DESCRIPTIONS
“Articles” or “Articles of Association” or “AOA”	The Articles of Association of our Company, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the Section titled “ Our Management ” on page no. 115 of this draft prospectus.
“Board of Director(s)” or “the/our Board”	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
“CFO” or Chief Financial Officer	The Chief Financial Officer of our company being “ Mr. Sanjay Kumar Singh ”.
CIN	Corporate Identification Number
Companies 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 & Compliance Officer	The Company Secretary & Compliance Officer of our company being “ Mrs. Parul Mantri ”.
Corporate Social Responsibility committee	Corporate Social Responsibility committee in accordance with the Companies Act, 2013 as disclosed in the Section titled “ Our Management ” on page no. 115 of this draft prospectus.
DIN	Directors Identification Number.
Director/Director(s)	The directors of our Company, unless otherwise specified
ED	Executive Director
Equity Shares	The Equity Shares of our Company of face value of ₹10/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Export	Export means taking goods out of India to a place outside India
Group Companies/Entities	Such companies with which there were related party transactions, during the period for which financial information is disclosed in this draft prospectus, which are covered under the applicable accounting standards and other companies as considered material by our Board, as identified in “Our Group Companies”
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard

TERMS	DESCRIPTIONS
Ind GAAP	Generally Accepted Accounting Principles in India.
Import	Import means bringing goods into India from a place outside India
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013
IT Act	The Income Tax Act, 1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
ISIN	International Securities Identification Number In this case being “INE0G1D01014”
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations 2018, Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “Our Management” beginning on page no. 115 of this draft prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI (ICDR) Regulations
Memorandum/Memorandum of Association/MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “Our Management” on page no. 115 of this draft prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Peer Review/Statutory Auditor	The Statutory Auditors of our Company having a valid Peer Review certificate in our case being “M/s. S. Jaykishan, Chartered Accountants” , having its office at 14/3, Chhatawala Lane, 2nd Floor, Kolkata – 700012, West Bengal, India.
Promoters	Shall mean promoters of our Company as mentioned in this draft 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 no. 128 of this draft prospectus.
Registered and Corporate Office	Registered Office of the Company is presently situated at 4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India.
Restated Financial Statement	Audited Financial Statements as at and for the financial years ended on 31 st March 2022, 31 st March 2021 and 31 st March 2020, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
RoC/Registrar of Companies	The Registrar of Companies, Kolkata, West Bengal.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Shareholders	Shareholders of our Company
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “Our Management” on page no. 115 of this draft prospectus.
Wilful Defaulter(s) or Fraudulent Borrower(s)	A person or an issuer who or which is categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India, as defined under Regulation 2(1)(lll) of SEBI ICDR Regulations 2018.

Issue Related Terms

TERMS	DESCRIPTIONS
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/Allotment of/ Allotted Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.

TERMS	DESCRIPTIONS
Allottee(s)	A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the draft prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this draft prospectus.
Application Supported by Blocked Amount/ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID. Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by Applicants for blocking the Bid Amount mentioned in the ASBA Form
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this draft prospectus.
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the draft prospectus.
ASBA Application Location(s)/Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being “ M/s. ICICI Bank Limited ”
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, “ Issue Procedure, - Basis of Allotment ” beginning on page no. 205 of this draft prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the NSE i.e., www.nseindia.com .
Broker to the Issue	All recognized members of the stock exchange of NSE would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays).
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.

TERMS	DESCRIPTIONS
Controlling Branches of SCSBs	Such branches of the SCSBs which coordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the 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 Application Forms are available on the websites of the Stock Exchange i.e., www.nseindia.com
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in terms of the draft prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/ Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., www.nseindia.com
Designated Stock Exchange	National Stock Exchange of India Limited
Draft prospectus	The Draft prospectus dated July 25, 2022 issued in accordance with Section 26 & 32 of the Companies Act, 2013 filed with National Stock Exchange of India Limited under SEBI (ICDR) Regulations.
DP	Depository Participant.
DP ID	Depository Participant's Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this draft prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors 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 draft prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Equity Shares	Equity Shares of our Company of face value ₹10/- each.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
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 Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII 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
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering

TERMS	DESCRIPTIONS
Issue/Public Issue/Initial Public Issue/IPO	Public issue of 28,50,000 Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹1,140.00 Lakhs by our Company, in terms of this draft prospectus.
Issue Agreement	The Issue Agreement dated July 22, 2022 between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
Issue Opening Date	The date on which Issue Opens for Subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company being ₹10/- per Equity Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about the use of the Issue Proceeds please refer to Section titled “Objects of the Issue” beginning on page no. 61 of this draft prospectus.
Lead Manager/LM	means a merchant banker registered with the SEBI and appointed by the issuer to manage the issue and in case of a book-built issue, the lead manager(s) appointed by the issuer shall act as the book running lead manager(s) for the purposes of book building. Lead Manager to the Issue, in this case being “M/s. Finshore Management Services Limited” .
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being “[●]” who 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 any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	Up to 1,44,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹57.60 Lakhs only.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to 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 27,06,000 Equity Shares of face value ₹10/- each for cash at an Issue price of ₹40/- per Equity Share (the “Issue Price”), aggregating up to ₹1,082.40 Lakhs Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA)
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹2 Lakh (but not including NRIs other than Eligible NRIs).
NSE	National Stock Exchange of India Limited
NSE EMERGE / EMERGE Platform of NSE	SME Platform of National Stock Exchange of India Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
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.
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
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

TERMS	DESCRIPTIONS
	and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The prospectus dated [●] registered with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Registrar/Registrar to this Issue/RTI	Registrar to the Issue in our case being <i>“M/s. Cameo Corporate Services Limited”</i> .
Registrar Agreement	The agreement dated July 08, 2022 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidder(s) or RIB(s) or Retail Individual Investor(s) or RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing Services in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
SME Exchange	“SME exchange” means a trading platform of a recognised stock exchange having nationwide trading terminals permitted by the SEBI to list the specified securities issued in accordance with Chapter IX of SEBI ICDR and includes a stock exchange granted recognition for this purpose but does not include the Main Board;
Specified Locations	Collection Centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020 and as amended thereto, including instructions and clarifications issued by SEBI from time to time.
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 applicants, as proof of registration of the Application
UPI	Unified Payments Interface (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 persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.

TERMS	DESCRIPTIONS
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Underwriters	M/s. Finshore Management Services Limited
Underwriting Agreement	The Underwriting Agreement dated [●] entered into between our Company and the Underwriters.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	“Working day” means all days on which commercial banks in Mumbai are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the SEBI, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.

Conventional and General Terms

TERMS	DESCRIPTIONS
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981.
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.

TERMS	DESCRIPTIONS
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act/Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made there under.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CST Act	Central Sales Tax Act, 1956.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Hazardous Waste Rules, 2008	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this draft prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI Act	Reserve Bank of India Act, 1934.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.

TERMS	DESCRIPTIONS
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974.

Technical and Industry related terms

TERMS	DESCRIPTIONS
BPM	Business Process Management
BU	Billion Units
CAGR	Compounding Annual Growth Rate
CFL	Compact Fluorescent Lamps
CPI	Consumer Price Index
CPW	Liquid Chlorinated Paraffin Wax
CSO	Central Statistics Office's
DGGI	Director General of Goods & Services Tax Intelligence
DIPP	Department of Industries Policy and Promotion
DOP	Diocetyl Phthalate
DPR	Detailed Project Report
EDP	Electronic Data Processing
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
EU	European Union
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FRP	Fibre Reinforced Plastic
FY	Financial Year
GDP	Gross Domestic Product
GPD	Grams per Denier
GST	Goods and Service Tax
GVA	Gross Value Added
G-sec	Government Securities
HDPE	High Density Polyethylene
HDT	Heat Deflection Temperature
IBEF	India Brand Equity Foundation
IMF	International Monetary Fund
IMP/HRS	Impression per Hour
INR	Indian Rupee Rates
LDPE	Low density polyethylene
LLDPE	Linear low-density polyethylene
MF	melamine formaldehyde
MNC	Multinational Corporation
MOU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MYEA	Mid-Year Economic Analysis
NH	National Highway
NITI Aayog	National Institution for transforming India
NMP	National Manufacturing Policy
OMR	Optical Marking Recognition
OSA	Out Sourcing Agent
PMA	Preferential Market Access
PP	Polypropylene
PSUs	Public Sector Undertaking
PVC	Poly Vinyl Chloride
RIMS	Records and Information Management Services
RBI	Reserve Bank of India
R & D	Research and Development
SED	Strategic Engineering Division

TERMS	DESCRIPTIONS
SEZ	Special Economic Zone
SMB	Server Message Block
TFA	Trade Facilitation Agreement
UF	urea formaldehyde
UPS	Uninterrupted Power Supply
US	United States
UV	Ultraviolet
VDP	Variable Data Printing
VMP	Voltage at Maximum Power
VRLA	Valve Regulated Lead Acid
WPI	Wholesale Price Index

Abbreviations

TERMS	DESCRIPTIONS
₹ or ₹ or Rupees or INR	Indian Rupees.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BC	Before Christ.
BPLR	Bank Prime Lending Rate.
BSE	BSE Limited.
CARO	Companies (Auditor's Report) Order, 2003.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CLB	Company Law Board.
CrPC	Criminal Procedure Code, 1973, as amended.
CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DP ID	Depository participant's identification.
ECS	Electronic Clearing System.
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation.
EGM	Extraordinary General Meeting of the Shareholders of the Company.
EPS	Earnings Per Share.
ESOS	Employee Stock Option Scheme.
FDI	Foreign direct investment.
FIPB	Foreign Investment Promotion Board.
GAAR	General anti avoidance rules.
GBP	Great Britain Pound.
GIR	General index register.
GoI/Government	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISO	International Organization for Standardization.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
JV	Joint Venture.
MCA	Ministry of Corporate Affairs, Government of India.
MoU	Memorandum of Understanding.
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including

TERMS	DESCRIPTIONS
	miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PCB	Pollution Control Board.
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.
SCSB	Self-Certified Syndicate Bank.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
US	United States.
VAT	Value Added Tax.
w.e.f.	With effect from
YoY	Year on Year.

The words and expressions used but not defined in this draft 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, the terms defined -

- In the section titled **“Description of Equity Shares and Terms of the Articles of Association”** beginning on page 224 of this draft prospectus, shall have the meaning given to such terms in that section;
- In the chapter titled **“Financial Statements as Restated”** beginning on page 140 of this draft prospectus, shall have the meaning given to such terms in that chapter;
- In the section titled **“Risk Factors”** beginning on page 20 of this draft prospectus, shall have the meaning given to such terms in that section;
- In the chapter titled **“Statement of Possible Tax Benefits”** beginning on page 68 of this draft prospectus, shall have the meaning given to such terms in that chapter; and
- In the chapter titled **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** beginning on page 169 of this draft prospectus, shall have the meaning given to such terms in that chapter.

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

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” in this draft prospectus are to the Republic of India.

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

In this draft prospectus, the terms “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Mega Flex”, “MFPL”, and “Mega Flex Plastics Limited” unless the context otherwise indicates or implies, refers to **“Mega Flex Plastics Limited”**.

In this draft prospectus, the terms “we”, “us”, “our”, unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies, if any.

In this draft prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten millions” and the word “billion (bn)” means “one hundred crores”. In this draft prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Financial Data

Unless stated otherwise, the financial information in this draft prospectus are extracted from the restated Financial Statements of our Company as at and for the financial Years ended on 31st March 2022, 31st March 2021 and 31st March 2020, prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled **“Financial Statements as Restated”** beginning on page no. 140 of this draft prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this draft prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the draft prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the draft prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this draft prospectus, including in the Sections titled **“Risk Factors”**, **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** beginning on page no. 20, 88, and 169 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this draft prospectus.

Currency and Units of Presentation

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

Our Company has presented certain numerical information in this draft prospectus in “Lakh” units. One lakh represents 1,00,000. In this draft prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this draft prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, India Brand Equity Foundation (IBEF) and industry publications etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this draft prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this draft prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled ***"Risk Factors"*** beginning on page no. 20 of this draft prospectus. Accordingly, investment decisions should not be based on such information.

Exchange Rates

This draft prospectus may contain 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.

FORWARD LOOKING STATEMENT

The Company has included statements in this draft prospectus which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this draft prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the Section titled “**Risk Factors**”; “**Industry Overview**”; “**Our Business**”; and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**”; beginning on page no. 20, 71, 88 and 169, respectively, of this draft prospectus.

The forward-looking statements contained in this draft prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

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

- Changes in laws and regulations relating to the Sectors in which we operate;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the change
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability; and
- COVID-19 pandemic and similar circumstances

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. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend 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 Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this draft prospectus until the Equity Shares are allotted to the investors.

SECTION II: SUMMARY OF DRAFT PROSPECTUS

(A) PRIMARY BUSINESS OF OUR COMPANY AND THE INDUSTRY IN WHICH IT OPERATES:

❖ Primary Business of Our Company:

Mega Flex Plastics Limited is primarily engaged in manufacturing of Leno Bags which is used for packaging of agricultural produces like potatoes, onions, garlic, coconuts, fruits and vegetables. In addition to Leno Bags, our company is also manufacturing Woven Fabric and Sutli (Fibrillated Twisted Thread). The product which we majorly manufacture i.e., Leno Bags is made from Plastic Granules and is used multiple times for storage of fruits and vegetables. The said product is widely used in Cold Storages and warehouses for storage of various products.

Our state-of-the-art plant for manufacturing PP Leno Bags is situated at Sudha Ras Food & Poly Park (Industrial Park), Howrah in the state of West Bengal, India. The plant is strategically located on NH-6, about 120 km from international all-weather port of Haldia and around 30 kms from Kolkata port, which gives it excellent connectivity and transport facilities.

Our bags are trusted upon by the customers. Our brands include *Lenoflex*, *Kisan*, *Kisan Regular*, *Goldflex*, *Goldflex Lite*, *Tiger*, *Tiranga*, *Hena*. The Lenoflex is most preferred brand for storage of potato when the farmer looks for the quality. We also export Leno Bags to European countries and our quality is well accepted there also. We also produce Sutli (fibrillated Twisted Thread) as per the demand.

Our Company's Leadership team consists of our promoters who have several decades of experience in the field of packaging solutions. This has made our company a highly acclaimed and trusted enterprise with a focus on innovation and sustained growth. We are having a professional management team to execute our projects having vast techno-commercial knowledge and experience in the field of plastic packaging.

We have all the required facilities in house, which includes captive power generation unit, UPS, water treatment plant etc. We have well equipped laboratory to ensure quality check at all levels of production. We have our own fleet of vehicles to ensure timely delivery even to remote places.

(For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 88 of this draft prospectus.)

❖ Summary of the industry in which our Company operates:

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

During 2021-22, India witnessed a huge growth in exports in terms of value over 2020-21. Overall, the total plastics exports in 2021-22 recorded a sharp growth and increased by 35.4% over the last year. The exports of human hair, pipes & fittings and FRP & composites in 2021-22 increased by 100%, 67% and 48% over 2020-21, respectively.

In May 2022, the exports of plastics and linoleum from India were valued at US\$ 1,073 million. During the same period, medical items of plastics; plastic films & sheets; plastic pipes & fittings; FRP & composites; packaging items; cordage fishnets & monofilaments; and miscellaneous products recorded strong growth. The cumulative exports for April and May 2022 grew 2.6% yoy to US\$ 2,173 million.

The India Packaging Market was valued at USD 50.5 billion in 2019, and it is expected to reach USD 204.81 billion by 2025, registering a CAGR of 26.7% during the period of 2020-2025. Packaging is among the high growth industries in India and developing @ 22-25% per annum and becoming a preferred hub for packaging industry. Currently the 5th largest sector of India's economy, the industry has reported steady growth over past several years and shows high potential for much expansion, particularly in the export market. Costs of processing and packaging food can be up to 40% lower than parts of Europe which, combined with India's resources of skilled labour, make it an attractive venue

for investment. A high degree of potential exists for almost all user segments which are expanding appreciably - processed foods, hard and soft drinks, fruit and marine products.

(For further detailed information, please refer to chapter titled “Industry Overview” beginning from page no. 71 of this draft prospectus.)

(B) NAME OF THE PROMOTERS OF OUR COMPANY:

(i) M/s. Channel Plastics Private Limited, (ii) Mr. Rakesh Sethia, (iii) Mr. Mohan Lal Parakh and (iv) Mr. Hukum Chand Bothra are the promoters of our company. (For further details, please refer chapter “Our Promoters and Promoters Group” beginning from page no. 128 of this draft prospectus.)

(C) SIZE OF THE ISSUE:

Initial Public issue of **28,50,000** equity shares of face value of ₹10/- each (“Equity Shares”) of **Mega Flex Plastics Limited** (“The Company” or “The Issuer”) for cash at a price of ₹40/- per equity share (“The Issue Price”), aggregating to ₹ **1,140.00** Lakhs (“The Issue”), of which **1,44,000** equity shares of face value of ₹10/- each for cash at a price of ₹40/- per equity share, aggregating to ₹57.60 lakhs will be reserved for subscriptions by the Market Maker to the issue (The “Market Maker Reservation Portion”). The issue less market maker reservation portion i.e., Issue of **27,06,000** equity shares of face value of ₹10/- each for cash at a price of ₹40/- per equity share, aggregating to ₹1,082.40 lakhs is here-in after referred to as the “Net Issue”. The issue and the net issue will constitute 26.52% and 25.18% respectively of the post issue paid up equity share capital of the company.

(D) OBJECTS OF THE ISSUE:

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects:

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	Working capital requirements	1,017.00	89.21%	1,017.00
B	Issue related expenses	48.00	4.21%	48.00
C	General corporate purposes	75.00	6.58%	75.00
	Total IPO Proceeds	1,140.00	100.00	1,140.00

For further details, please refer chapter “Objects of the Issue” beginning from page no. 61 of this draft prospectus.

(E) PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS DRAFT PROSPECTUS:

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
Promoters		
Channel Plastics Private Limited	26,12,700	33.09%
Rakesh Sethia	4,41,900	5.60%
Mohan Lal Parakh	2,25,000	2.85%
Hukum Chand Bothra	2,03,400	2.58%
Total Promoters Shareholding (A)	34,83,000	44.12%
Promoter Group		
Samta Polymers Limited	9,44,550	11.96%
Pragatisheel Commercial LLP	7,01,100	8.88%
Usha Sethia	4,29,750	5.44%
Agrani Finserv Advisors Pvt Ltd	3,69,000	4.67%
Samta Plastics Pvt Ltd	3,23,100	4.09%
Tara Chand Bothra	2,47,500	3.13%
Khem Chand Bothra	1,93,500	2.45%
Nilima Sethia	1,84,500	2.34%
Samta Packaging Pvt Ltd	1,68,750	2.14%
Hukum Chand Bothra-HUF	1,25,100	1.58%
Sangeeta Bothra	1,17,000	1.48%
Dimpal Bothra	1,14,750	1.45%
Khem Chand Bothra (HUF)	94,950	1.20%
Sarda Devi Parakh	90,000	1.14%
Rakesh Sethia & Sons (HUF)	85,500	1.08%
Rajesh Bothra	75,150	0.95%
Preeti Bothra	59,400	0.75%

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
Tara Chand Bothra (HUF)	51,075	0.65%
Rajesh Bothra-HUF	20,700	0.26%
Total Promoters Group Shareholding (B)	43,95,375	55.67%
Total Promoters & Promoters Group (A+B)	78,78,375	99.79%

(F) SUMMARY OF RESTATED FINANCIAL STATEMENTS:

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021	31-03-2020
Total Share Capital	175.45	175.45	175.45
Total Net Worth	3105.13	2839.20	2710.33
Total Revenue	4739.16	3108.53	3343.16
Profit After Tax	265.93	128.87	219.85
Face Value per equity shares	10.00	10.00	10.00
Earnings Per Share (Basic & Diluted) (As per Restated financials)	15.16	7.35	12.53
Net Asset Value per equity share (As per Restated financials)	176.99	161.83	154.48
Total Borrowings	-	41.01	25.72

(For further details, please refer chapter “Capital Structure” and “Financial statement as Restated” beginning from page no. 45 and 140 respectively of this draft prospectus.)

(G) AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENT:

The auditor report of Restated Financial information of Mega Flex Plastics Limited, for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 does not contain any qualifications which have not been given effect in the restated financial statement. (For further details, please refer chapter “Financial statement as Restated” beginning from page no. 140 of this draft prospectus.)

(H) SUMMARY OF OUTSTANDING LITIGATIONS:

There are certain outstanding litigation pending against the company, directors, promoters, Promoters Group and Group Entity. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our business and financial status. A summary of these legal and other proceedings is given below:

Sr No.	Outstanding Litigation	Number of Matter	Financial Implications to the Extent Quantifiable (amount in ₹)
1	Filed against the Company		
	Nil	--	--
2	Filed by the Company		
	Indirect Tax	6	--
3	Filed against our Promoter Group		
	Direct Tax	2	44,87,748
	Others	2	-
	Total	10	44,87,748

For further details, please refer chapter “Outstanding Litigation and Material Development” beginning from page no. 176 of this draft prospectus.

(I) CROSS REFERENCE TO THE SECTION TITLED RISK FACTORS:

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this draft prospectus.

(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 20 of this draft prospectus.)

(J) SUMMARY OF CONTINGENT LIABILITIES:

As per restated financial statement, the company has contingent liabilities towards GST demands, Corporate Guarantee and Bank Guarantee provided for to the tune of ₹ 1718.47 Lakhs as on March 31, 2022. (For further details, please refer chapter “Financial statement as Restated” beginning from page no. 140 of this draft prospectus.)

(K) SUMMARY OF RELATED PARTY TRANSACTIONS FOR LAST 3 YEARS:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Remuneration	29.04	32.67	29.04
Rent	0.25	-	-
Loan Given	211.25	333.10	-
Loan Repaid	227.35	134.89	-
Interest	15.23	9.89	-
Sales	648.33	338.78	-
Purchase	39.51	-	-
Deposit	4.63	8.45	26.80
Loan outstanding	192.00	78.10	-
Interest outstanding	1.52	-	-
Deposit outstanding	-	4.63	13.00

For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated – Related Party Transactions” beginning on page no. 165 of this draft prospectus

(L) DETAILS OF FINANCING ARRANGEMENT:

There are no financing arrangements whereby the promoters, member of promoter group, the directors of the company which is a promoter of the issuer, the directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this draft prospectus.

(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:

Sl. No.	Name of the Promoter	No. of Shares Acquired during last one Year	Consideration	Weighted Average Price (In ₹ per Equity Share)
1	Channel Plastics Private Limited	20,32,100	Nil	--
2	Rakesh Sethia	3,43,700	Nil	--
3	Mohan Lal Parakh	1,75,000	Nil	--
4	Hukum Chand Bothra	1,58,200	Nil	--

(The shares were acquired pursuant to Bonus issue of shares for which no consideration has been paid)

(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Channel Plastics Private Limited	26,12,700	5.01
2	Rakesh Sethia	4,41,900	4.34
3	Mohan Lal Parakh	2,25,000	21.16
4	Hukum Chand Bothra	2,03,400	3.65

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, by way of fresh issuance, bonus issue, if any and the net cost of acquisition has been divided by total number of shares held as on date of the draft prospectus.

(O) DETAILS OF PRE-IPO PLACEMENT:

Our Company has not proposed any Pre-IPO placement from the date of this draft prospectus till the listing of the Equity Shares.

(P) DETAILS OF ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
08-07-2022	61,40,575	N/A	Nil	Bonus Share	#	Capitalization of reserves

For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled **“Capital Structure”** beginning on page no. 45 of this draft prospectus.

(Q) DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this draft prospectus.

(R) EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

The Company has not sought for any exemptions from complying with any provisions of securities laws.

SECTION III: RISK FACTORS

RISK FACTOR

*Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, **Our Business**, and **Management's Discussion and Analysis of Financial Condition and Results of Operations** beginning on page no. 88 and 169 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.*

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

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing 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 consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Restated Financial Statements prepared in accordance with Indian AS, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.

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

1. *Some risks may not be material individually but may be material when considered collectively.*
2. *Some risks may have material impact qualitatively instead of quantitatively.*
3. *Some risks may not be material at present but may have a material impact in the future.*

INTERNAL RISK FACTOR**1. The increasing pollution control norms and imposition of ban on Plastic material for packing products.**

There is an increased awareness towards controlling pollution and many economies including India have joined in the efforts to ban plastic product. In this regard Government of India has list out single use plastics items, imposing ban on their usage effective 1st July 2022. Plastic in any form takes many years to decompose and is very dangerous for other living beings. Therefore, in case any plastic packaging products manufactured by the company are banned in India or in any of the markets where the company export its products, it could have a material and adverse effect on the business and results of operations.

Furthermore, many countries around the world are finding alternatives to the use of plastic products, if such a situation arise and If the Government of India legislates against the use of plastic products or if regulations for the manufacture and use of plastic packaging products are made more stringent, it could have a material and adverse effect on the business of the company and results of operations.

The product which we produce i.e., PP Leno Bags is not a single use plastic and is used multiple times for storage of fruits and vegetables and is not a banned item. The said product is widely used in Cold Storages and warehouses for storage of various products.

Presently, the company has obtained Consent to Operate from West Bengal Pollution Control Board which is valid till 30th September 2024.

2. Substantial portion of Company's revenues has been dependent upon few customers. The loss of any one or more of its major customers would have a material adverse effect on its business, cash flows, results of operations and financial condition.

During Fiscal 2020, Fiscal 2021 and Fiscal 2022, our top 10 (ten) customers contributed ₹ 2722.61 lakh, ₹ 2532.59 lakh and ₹ 3680.68 lakh comprising of 86.44%, 85.87% and 79.21%, respectively, of our total revenue from operations. Since we are significantly dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers for any reason could have an adverse effect on our business, results of operations and financial condition. While we strive to maintain good relations with our key customers, there is no assurance that our key customers will continue to place similar orders with us in the future. In addition to these external factors, these key customers may also set off any payment obligations, require indemnification for themselves or their affiliates, replace us with our competitors, or replace their existing products with alternative products which we do not supply. Therefore, there can be no assurance that we will not lose all or a portion of sales to these key customers, or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers. We may continue to remain dependent upon our key customers for a substantial portion of our revenues. Further, the deterioration of the financial condition or business prospects of these customers could reduce their requirement of our products and result in a significant decrease in the revenues we derive from these customers. In the event of our failure to retain one or more of our key customers, it will have an adverse effect on our financial performance and result of operations.

3. The Company has not entered into any long-term contracts with any of its customers and the company typically operate on the basis of Contracts/ orders. Inability to maintain regular order flow would adversely impact company's revenues and profitability.

The Company has long standing business relationships with various customers, traders and retailers [Collectively called as "Clients"] and has been serving its clients since many years. Our Company has not entered into any specific contracts with these clients and cater to them on an order-by-order basis. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, we may be unable to seek compensation for any surplus unpurchased products that we manufacture. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our clients' preferences.

Additionally, our customers have high and exacting standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

4. Company's business is dependent on certain suppliers and loss of any one or more of them would have a material adverse effect on business.

During Fiscal 2020, Fiscal 2021 and Fiscal 2022, our top 10 (ten) suppliers contributed ₹ 2191.54 lakh, ₹ 2252.53 lakh and ₹ 3302.22 lakh comprising of 96.39%, 98.15% and 97.88% respectively, of our total purchases of Polypropylene Granules or LLDPE Pellets of different grades and other raw materials etc. In the future, there may be industry-wide fluctuations in the supply of raw materials due to the growing demand for Leno Bags. We may, from time to time, experience late delivery from suppliers and may have to purchase raw materials at a higher price, which in turn may result in reduction of revenues. Further the company might face stiff competition from larger and well-established players for procuring these raw materials therefore company has entered in arrangement with major companies for supply of raw material, in order to secure uninterrupted supply of raw materials. However, if the Company is unable to procure the requisite quantities of raw materials well in time and at competitive prices, the production of the company might be affected, thus adversely affecting the business, prospects, results of operations and financial condition. There can be no assurance that the current procurement efforts will be successful in ensuring an adequate supply of raw materials at viable prices to meet our requirements. If we are unable to meet customer demand for our products or if our products are only available at a higher price because of a shortage of raw materials, we could lose customers, market share and revenue. Further, many of our competitors, that also purchase raw materials from our suppliers, may have stronger relationships as well as greater bargaining power with the suppliers. This may materially and adversely affect our business, financial condition, results of operations and cash flow.

- 5. The company has provided a corporate guarantee for loan taken one of its Group companies namely M/s. White Saffron Grains LLP. Any default in payment of the credit facility by the group company shall have an adverse-effect on business, financial condition, results of operations, cash flows and prospects of the company.**

The company has provided its corporate guarantee for one of its group companies to the tune of Rs. 10,00,00,000 [Rupees Ten Crore Only]. Further, the commercial building of the company is situated at Plot No PPD-3 Howrah Poly Park, Mouza -Sandhipur, JI No-4, Rs- Dag No-801, 802,806,807 & 809 Kh No 629, 655, 494 Ps Sankrail Po Joynagar Under Kandua Grampanchayet 711302 near Dulagore Toll Tax, has been presented as collateral security for the loan availed by the group company. In case of a default under the loan agreements, the business prospects of the company might be adversely-effected. The company may face certain impediments in taking decisions in relation to Company, which in turn would result in a material adverse effect on its financial condition, business, results of operations and prospects and would negatively impact its reputation.

- 6. The Company is highly dependent on markets in the state of West Bengal and are exposed to risks related to the concentration of its operations in West Bengal. Any disruption to its operations in the state could materially and adversely affect its business, financial condition, results of operations and prospects.**

The company derives a significant proportion of its revenue from the state of West Bengal. The total contribution from West Bengal was ₹ 4143.79 lakhs, ₹ 2877.19 lakhs and ₹ 3055.51 lakhs comprising of 89.17%, 97.56% and 97.01% respectively, to its revenue from operations in Fiscal 2022, Fiscal 2021 and Fiscal 2020. Such geographical concentration of company's business in this region heightens its exposure to adverse developments related to competition, as well as economic and demographic changes in this region, which may adversely affect business prospects, financial conditions and results of operations of the company.

Further, the company cannot assure its investors that it will be able to reduce its dependence on operations in state of West Bengal, or that such dependence will not increase in the future. Moreover, inability to expand into other areas may adversely affect business prospects, financial conditions and results of operations of the company.

However, as on March 2022, our Company has already made a presence in four other states and aims to strengthen its presence and expand operations in such regions.

- 7. The company is highly dependent on the sale of LENO BAGS and its business is exposed to risks related to product concentration, which could materially and adversely affect the business, financial condition, results of operations, and prospects of the company.**

Our revenue majorly derives from sales of Polypropylene Leno Bags. For the financial year 2022, 2021 and 2020, our revenue from sales of Leno Bag was ₹ 4099.66 lakh, ₹ 2759.39 lakh and ₹ 3029.35 lakh comprising of 88.22%, 93.56% and 96.18% respectively of our revenue from operations. As a result, the business of the company is exposed to risks related to product concentration. Company's inability to produce sufficient quantities of the existing products offered to its customers in a timely manner or at all, or the company's failure to develop new products that meet the evolving demands of end consumers or to obtain the regulatory approvals for such products, the development of successful products by its competitors and general economic conditions. In addition, the business, financial condition, results of operations and prospects could be materially and adversely affected if one or more of these uncertainties or disruptions occur.

- 8. The company could suffer adverse publicity and incur substantial costs as a result of defects in its products, which in turn could adversely affect the brand value, and its sales could be diminished if the company is associated with negative publicity.**

Any failure or defect in packaging products could result in a claim for damages, regardless of the responsibility for such a failure or defect. Although the company attempt to maintain quality standards, it cannot assure that all items would be of uniform quality, which in turn could adversely affect the value of brand, and sales could be diminished if the company is associated with negative publicity.

Any negative publicity regarding Company, brand, or its products, including those arising from a drop in quality, or any other unforeseen events could affect company's reputation and its results from operations.

- 9. The company in the past entered into related party transactions and may continue to do so in the future.**

The Company has entered into certain transactions with its Promoters, Promoter Group and Directors and other Related Parties. While it is to be believed that all such transactions are conducted at arm's length basis, there can be no assurance

that the company could not have achieved more favourable terms had such transactions not being entered into with related parties.

The company have entered into certain transactions with related parties and are likely to continue to do so in the future. For the Financial Years 2022, 2021 and 2020, the sale of products to related parties was ₹ 648.33 lakhs, ₹ 338.78 lakhs and ₹ Nil respectively, constituting 13.95%, 11.49%, and 0.00% of total revenue from operation, respectively.

Further, For the Financial Years 2022, 2021 and 2020, the aggregate total of purchases from related parties were ₹ 39.51 lakhs, ₹ Nil, and ₹ Nil respectively, constituting 1.17%, 0.00%, and 0.00% of total purchase respectively.

Furthermore, it is likely that the company might enter into related party transactions in future as well. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on financial condition and results of operations of the company.

10. Our Company is party to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, result of operations and financial conditions.

Our Company, is party to certain legal proceedings. We cannot assure you that these proceedings will be decided in favour of our Company. Further, there is no assurance that similar proceedings will not be initiated against us, in the future. Any adverse outcome in any of the below mentioned proceedings could have an adverse effect on our reputation and may affect our future business, prospects, financial condition and results of operations. It further may divert the attention of our management and promoters and waste our corporate resources. For details of these proceedings, see “Outstanding Litigation and Material Developments” on beginning from page 176 of this Prospectus. A classification of these legal and other proceedings is given below:

Sr No.	Outstanding Litigation	Number of Matter	Financial Implications to the Extent Quantifiable (amount in ₹)
1	Filed against the Company		
	Nil	--	--
2	Filed by the Company		
	Indirect Tax	6	--
3	Filed against our Promoter Group		
	Direct Tax	2	44,87,748
	Others	2	--
	Total	10	44,87,748

Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise.

11. We have certain contingent liabilities that have not been provided for in our Company’s financials which if materialised, could adversely affect our financial condition.

Our contingent liabilities as on March 2022 are as under: (₹ in lakhs)

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
Income Tax Demand for the A.Y 2012-13 For which appeal has been filed to CIT(A), Kolkata- 4 (Paid under protest Rs.9,20,000/- up to 31.03.2020)	0.00	45.77	45.77
Company made under protest payment of Rs.6,57,38,093/- as the differential GST pursuant to the order dated 25-10-2018 of the West Bengal Appellate Authority for Advance Ruling whereby PP Leno Bags has been classified Heading 63053300 (GST @5% / 12%) instead of Heading 39232990 (GST @18%). Company filed appeal against the said order in Hon'ble Kolkata High Court vide W.P.3667(W) of 2019.	657.38	657.38	657.38
Corporate Guarantee Given to HDFC Bank Ltd. on behalf of White saffron Grains LLP	1000.00	0.00	0.00
Bank Guarantee given to West Bengal State Electricity Distribution Limited (WBSEDCL) as security deposit.	61.09	61.09	61.09

12. Conflicts of interest may arise due to similar line of business of the Company, and the Promoter Group Company.

The Promoter Group Company, Channel Plastics Private Limited is also carrying on similar activity of manufacturing quality packaging solution i.e. plastic container for paints, lubricants, inks and grease industries. As a result, conflicts of interests may arise in allocating business opportunities amongst the Company, and the Promoter Group Company in circumstances where the respective interests diverge.

In cases of conflict, a situation might arise where in the Promoters might favor other company in which they have vested interests. There can be no assurance that the Promoter or Group Company or members of the Promoter Group will not compete with the existing business or any future business that the company may undertake or that their interests will not conflict with that of the company. Any such present and future conflicts could have a material adverse effect on company's reputation, business, results of operations and financial condition. As on the date, no agreement is there between the Company and Promoter Group Company in relation to the said conflict of interest.

13. Our Manufacturing process may become outdated

Our Manufacturing process to manufacture Leno Bags and other products may become outdated with newer technology coming in the future which may have higher efficiency and features and may become more cost effective. Our existing manufacturing process may have to upgrade to the newer processes to adapt to the latest trend and demands of the market and be cost effective and we cannot assure that we will always be able to meet up to the expectation and in case we don't keep up with the technological advancement, then we may lose our contracts and this may lead to decrease in turnover and resulting decrease in profitability.

14. Our clients operate in various industry segments/verticals and fluctuations in the performance of the industries in which our clients operate may result in loss of clients, a decrease in the volume of work we undertake or the price at which we offer our products.

Our business operations are exposed to fluctuations in the performance of the industries in which our significant clients operate. Our clients may also decide to reduce spending on services due to a changing economic environment and other factors relating to the industry in which they operate. A loss of any of our significant clientele, a decrease in the volume of work our clients outsource to us or a decline in our prices may materially and adversely affect our business, operations, financial condition, results of operations.

15. Introduction of alternative packaging materials caused by changes in technology or consumer preferences may affect demand for our existing products which may adversely affect our financial results and business prospects.

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

16. The average cost of acquisition of Equity Shares by our Promoters is lower than the issue price:

Our promoter's average cost of acquisition of equity shares of our company is lower than the issue price. For further details regarding cost of acquisition of equity shares by our promoter in our company and build-up of equity shares of our promoters in our company, please refer chapter titled 'Capital Structure' beginning of page no. 45 of this prospectus.

17. Non-compliance with amendment in Safety, Health and Environmental laws and other applicable regulations, may adversely affect the Company's results of operations and its financial condition.

The company is indulged in the business of manufacturing of PP [Polypropylene] Leno Bags and other similar product line. Due to nature of Business, the company is subject to Various Rules and Regulations in relation to safety, health and environmental protection including Air Prevention and Control of Pollution Act, Noise Pollution and Water Prevention and Control of Pollution Act, Contract Labour Act, Employees Provident Fund Act, Bonus Act etc.

Further, the company is subjected to the jurisdiction and is governed by Indian Law, rules and regulations in relation to safety, health and environmental protection due to the nature of the business of the company. These safety, health and

environmental protection laws and regulations inter alia impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of the Company's operations and products.

Failure to comply with any existing or future regulations applicable to the Company may result in levy of fines, penalties, commencement of judicial proceedings and/or third-party claims, and may adversely affect the results of operations and financial condition.

18. The operations of the company may be adversely affected by strikes, work stoppages or increased wage demands by workforce or any other industrial unrest or dispute.

The company cannot be certain that it will not suffer any disruption of operations due to strikes, work stoppages or increased wage demands in the future. Further, if the work force forms union or associate themselves with any existing unions, or collective bargaining efforts by labour unions may divert the management's attention and result in increased costs. These actions might cause unrest and delay in business operation of the company. Any shortage of skilled and experienced workers caused by such industrial unrest or disputes may adversely affect the business, results of operations and financial condition. As on the date no such instance of labour dispute has arose in our company.

Further, the labour laws in India are strict and our company may be held liable for wage payments or benefits and amenities made available to "daily wage" workers. Any requirement to discharge such payment obligations, benefits or amenities or to absorb a significant portion of the "daily wage" workers on rolls may adversely affect the business, results of operations and financial condition.

19. The company could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect company's financial condition, results of operations and reputation.

Employee misconduct or errors could expose company to business risks or losses, including regulatory sanctions and serious harm to company's reputation. There can be no assurance that the company will be able to detect or deter such misconduct. Moreover, the precautions taken to prevent and detect such activity may not be effective in all cases. The employees and agents may also commit errors that could lead to claims and proceedings for alleged negligence, as well as regulatory actions on account of which the business, financial condition, results of operations and goodwill of the company could be adversely affected.

20. Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production and execution schedule and timely delivery/completion of our products/projects which may adversely affect our business and result of operations. Though we have not faced any labour problem in the past we cannot assure that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock-outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

21. The COVID-19 pandemic and resulting deterioration of general economic conditions has impacted our business and results of operations in the past and the extent to which it will impact our future business and results of operations will depend on future developments, which are difficult to predict.

Since December 2019 when it was first reported, the outbreak of COVID-19 has spread globally. The World Health Organization declared the novel coronavirus disease ("COVID-19") outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. The extent to which the COVID-19 outbreak impacts our business, cash flows, results of operations and financial condition will depend on future developments, including on the duration and severity of the pandemic, the nature and scope of government actions to contain it, and the potential impact on global and national economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs (including fuel surcharges), which are highly uncertain and cannot be predicted. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and are likely to be severe.

In addition, while the Government of India in coordination with the state governments have started the bulk immunization process or vaccination drive since January 16, 2021, achieving a complete vaccination scale may take

significant amount of time. There is also no assurance that the vaccines that are developed will be fully effective and/or may not have side effects. On March 14, 2020, India declared COVID-19 as a 'notified disaster' and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious reopening of businesses and offices. Thus, our business was under lock down during the nationwide lock down due to the spread of COVID 19 Pandemic from March 25, 2020 to May 02, 2020. It was also shut down during the month of June 2020 due to widespread COVID – 19 pandemic. Subsequently, our business was operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. In addition, throughout March and April 2021, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further reinstatements of lockdown protocols or other restrictions, which may adversely affect our business operations. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations.

Our Company has witnessed a lower quantum of sales compared to similar periods in previous years. Our turnover has been drastically impacted due to global restriction and lockdowns including India due to Covid-19 pandemic. Our Turnover for the financial year 2021 has been reduced to ₹ 2949.23 lakhs from ₹ 3149.64 lakhs for the financial year 2020. However, we have increased our better revenue to ₹ 4646.83 lakhs in financial year 2022 as the restriction and lockdowns are being relaxed gradually. *(for further details, please refer "Management Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page no. 169 of prospectus.*

- 22. The industry segments in which the company operate is fragmented, and has multiple level of competition from small and medium scale manufacturers. Thus, the competition faced from other business entities, may affect the business operations and financial conditions of the company.**

The market for the product of the company is competitive on account of both the organized and unorganized business entities. Manufacturers in this industry generally compete with each other on key attributes such as technical competence, quality of products, distribution network, pricing and timely delivery. Some of the competitors of the company might have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive.

Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by the company and consequently affect the volume of sales and growth prospects. Growing competition may result in a decline in the market share and may further affect margins which may adversely affect the business operations and financial condition.

- 23. Our Leno Bag industry is vulnerable to seasonal and weather fluctuations. This could result in fluctuations in demand which will adversely affect our sales and profitability.**

Leno Bag supply is dependent on harvesting of fruits and vegetables. Our Leno Bags are used by farmers majorly for packaging of Potatoes. Usually, potatoes are harvested during December to March. They are stored at Cold Storages during March in West Bengal. Sales of Leno Bags during April to July is less as compared to other seasons/months during the year which consequently affect our revenue from operations and profitability. Our business operations and profitability may be adversely affected, in the event of natural calamities such as drought, insufficient rainfall or floods.

- 24. The Company's inability to successfully diversify the product offerings may adversely affect its growth and negatively impact the profitability.**

We may attempt to diversify and expand our business operations by diversifying new products. For instance, we intend to undertake production of other types of bags i.e. PP/HDPE Woven Bags, BOPP Laminated Bags, HDPE/PP woven fabrics/sacks etc. We have limited experience and knowledge of carrying out such operations, and our foray into the same may be subject to high barriers to entry, including existing competition and market dynamics. Due to our limited experience, our entry into new business segments may not be successful, which could hamper our growth and damage our reputation. We will be subject to the risks generally associated with new product introductions and applications, including unproven know-how, unreliable technology, inexperienced staff, delays in product development and possible failure of products to operate properly. We may also encounter other additional anticipated risks and significant competition in such markets. We cannot assure you that we will be able to successfully develop our new product lines, and may not be able to successfully develop or introduce new products on a timely basis or at all, which may adversely affect our growth and impact negatively the profitability. We also cannot assure you that we will succeed in effectively implementing new technology in manufacturing new products or that we will recover our investments. Any failure in

the development or implementation of our operations is likely to adversely affect our business, results of operations and cash flows.

25. The company is not able to trace certain experience record of its Promoters, Directors and has relied on the information furnished by them for such details of their profile, to be included in the Draft Prospectus.

The company is unable to trace copies of documents pertaining to professional qualification and experience of some of its directors and promoters. Accordingly, the company has relied on the information furnished by Directors and Promoters, to disclose details of the professional qualification and experience in the Draft Prospectus.

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

The company may encounter problems in executing the orders in relation to the products offered, or executing it on a timely basis. This situation may arise due to certain factors like power supply, bad weather conditions, insufficient supply of raw material etc. Moreover, factors beyond company's control or the control of its customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from customers' discretion or problems encountered during delivery of such products or reasons outside the control or the control of customers, the company might not be in a position to predict with certainty when, if or to what extent it may be able to deliver the orders placed.

Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that the company expect to be paid in respect of such products. Further, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed. As on date no such incidence has occurred with the company as the company caters to the needs of customers and provide them with the desired quality and quantity in time, however with expansion in business both geographically and demographically, company cannot be certain that such situation will not arise in future, thus adversely affecting the business prospects of the company.

27. The Company is dependent on the continuing operation of its manufacturing facilities. Any significant interruption in manufacturing at its facilities could have a material adverse effect on business, results of operations and financial condition.

The Company manufactures substantially all of the products at the manufacturing facility at Poly Park, Sandhipur, Kolkata, which are subject to the normal risks of industrial production, including equipment breakdowns, labour stoppages, and natural disasters, directives from government, WBIDC rules and power interruptions.

In case of any disruption at such facilities, it may adversely affect the manufacturing cycle, and may lead to time over-run in the execution of the project. All of these manufacturing facilities require a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect operations and working of the company. The manufacturing process of products requires significant electricity. Presently, the Company depends on WBSEDCL for supply of its energy requirements.

28. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of raw material and local transportation. Should our supply of raw materials be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. In addition, disruptions to the delivery of product to our customer may occur for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt supply of these products. To improve our line capability, we try to stock our inventory at our manufacturing facility. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock

inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.





29. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.






The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

(₹ in lakhs)

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
Net cash from operating activities	233.04	381.30	(59.73)
Net Cash (used in) / from investing activities	(31.26)	(408.86)	105.12
Net Cash used in financing activities	(44.70)	11.41	(34.59)
Net increase/(decrease) in cash and cash equivalent	157.07	(16.17)	10.81

30. The intellectual property rights of the company may be infringed upon or the company might infringe the intellectual property rights of third parties.

At present the company has been using its registered trademarks i.e. , ,  and  to conduct its business and in its day to day dealing. However, the trademarks have expired and application for its renewal has been filed by the company. Therefore, there can no assurance that these trademarks will not be infringed upon by any other market player. Depending on whether the company is able to discover any such infringement of trademark or successful enforcement of legal rights in the jurisdictions where such infringements may occur, the business and branding may suffer as a result of any misuse. In such circumstances, the reputation and business may be adversely affected. Further, if the company decides to pursue action against such infringements to protect the business and its reputation, it could result in diversion of both manual and financial resources, which might adversely affect the business and its financial results.

The Company has recently filed for registration of various trademarks i.e. , , , ,  and word marks i.e. **LENOFLEX**, with the registrar of trademarks which the company might be granted. In case the company is not granted the exclusive trademark and wordmark, or the application filed in objected to, it will involve incurring of extra expenses to obtain such right. Therefore, in such a case it could result in diversion of financial resources, which might adversely affect the business and its financial results.

31. We significantly depend on the contribution of our key managerial and senior managerial personnel. The loss of their services may have a material adverse effect on our business, financial condition and results of operations.

Our success significantly depends upon the continued service of our key managerial and senior managerial personnel. Our future performance depends on our ability to identify, hire and retain key technical, support staff, engineers, and other qualified personnel. If we lose the services of any of our existing key managerial and senior managerial personnel without timely and suitable replacements, or if we are unable to attract and retain new personnel with suitable experience as we grow, our financial performance and operation may be materially and adversely affected.

32. Changes in latest technology machinery/ requirement of machinery based on business opportunity may adversely affect Company's results of operations and its financial condition.

Modernization and technology up gradation is essential for the business to reduce costs and increase the output. Changes in technology may render the current technologies including plant and machinery obsolete or will require the company to make substantial capital investments. However, the company's current manufacturing units have machineries with latest technology. Further the company strive to keep its technology, equipment's and machinery in line with the latest technological standards.

But in future the company might be required to implement new technology or upgrade the existing machineries and other equipment's employed. The costs in upgrading technology and modernizing the plant and machineries may be significant which could substantially affect the financial requirements of the company and its operations. Further in case of machinery requirement based on business opportunity/ latest technology machinery, the company will have to incur huge expenditure which may adversely affect Company's results of operations and its financial condition.

33. Our Registered Office and manufacturing facility are located on leased premises. If we are unable to renew these leases or relocate on commercially suitable terms, it may have a material adverse effect on our business, results of operation and financial condition

Our manufacturing facility situated at Howrah Poly Park; West Bengal is located on premise, leased from West Bengal Industrial Development Corporation (WBIDC) Limited. Further the Registered office is taken on lease by us from third parties for a certain period. For details, please refer chapter titled “Our Business” beginning on page 88 of the DRHP. Though we have entered into long-term lease agreements with respect to these lands, such lease agreements may be terminated early in the event of a default or upon the expiry of their tenure and may not be renewed. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our existing facilities, to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

34. Changes in trends may render the current products obsolete or require the company to make substantial capital investments and hiring of people with required new skills.

Like every industry, the industry in which the company operates is also prone to changes due to new trends and preferences of customer base. Further an added disadvantage to the company is that the majority product line of the company is based on plastic packaging material, which has already gained attention because of environmental concerns. These changes result in the frequent introduction of new business process, new products and significant price competition. To meet customers’ needs as well as keep pace with competitors, the company might require to regularly update existing business processes and develop new products for customer retention.

In case of existing products becoming obsolete and if the company is unable to effectively introduce new product, the business and results of operations could be adversely affected. Moreover, the cost of implementing new process as well as R & D would require substantial new capital expenditures and/or write-downs of assets and could adversely affect business, prospects, results of operations and financial condition.

35. Restrictions on our exports of Leno Bags may impact our business operation and financial conditions

We manufacture Leno Bags and export may be subject to additional duties. For Fiscal 2021 and 2020, our export sales were ₹ 25.02 lakhs and ₹ 46.43 lakhs which represented 0.85% and 1.47%, respectively, of our total revenue from operations in such periods. Even though our exposure to exports currently have been low but in future we may expand our operations globally and so if any additional duties are imposed on our exported goods, the demand for our leno bags may decline and that may adversely impact our business and results of operations. The international markets in which we sell our products are diverse, with distinct legal and regulatory systems, having different levels of economic and infrastructure development and different stages of adoption of technology. We may therefore be subject to risks inherent in doing business in markets outside India, including risks related to: respective legal and regulatory environment; complex local tax regimes; payments by international customers; security issues; unexpected changes in regulatory environment and enforcement; challenges caused by distance, language and cultural differences; ensuring timely supply of products and provision of related support to customers in such markets; costs associated with doing business in multiple markets; fluctuations in currency exchange rates; difficulties in implementing hedging measures; political, social or economic instability; difficulties in managing exports to multiple international locations; and exposure to local banking, currency control and other financial related risks which could have a material adverse effect on our results of operations and financial conditions.

36. In addition to normal remuneration or benefits and reimbursement of expenses, the Promoters and Directors are interested in the Company to the extent of their shareholding and dividend entitlement in the Company.

The Promoters and Directors and Key Managerial Personnel are interested in the Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of the Promoters and Directors may also be interested to the extent of their shareholding and dividend entitlement in the Company.

37. The company’s insurance coverage may not be adequate to protect it against certain operating hazards and this may have a material adverse effect on its business.

The company have obtained insurance coverage in respect of certain risks. The significant insurance policies obtained by the company consist of, among others, NEW INDIA BHARAT LAGHU UDYAM SURAKSHA POLICY, BURGLARY (Floater) INSURANCE and stock insurance in respect of its factory premises.

While the insurance policy may be adequate in certain instances, however the insurance policies do not cover all risks, specifically risks such as product defect/liability risk, loss of profits, crop insurance, machinery breakdown, Cash in transit, Directors & Officers Liability and losses due to terrorism. The policy of covering these risks through insurance may not always be effective or adequate. Failure to effectively cover itself against the associated risks may potentially lead to material losses. There can be no assurance that the insurance policies will be adequate to cover the losses/damages suffered or that such insurance coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. If the company suffer a significant uninsured loss or if insurance claim in respect of the subject matter of insurance is not accepted or any insured loss suffered by it significantly exceeds its insurance coverage, the business, financial condition and results of operations of the company may be materially and adversely affected.

38. The company require certain approvals and/or licenses in the ordinary course of business to operate. Failure to obtain and/or to renew them in a timely manner, may affect the operations of the company.

The company requires certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for the business to operate. In this regards the company has obtained required license for carrying business activity including the Factory License, Trade License, Importer-Exporter Certificate, GST Registration and MSME Registration.

Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. Moreover, approvals, licenses, clearances, and consents covering the same subject matter are often required at State Government levels. If our company fail to comply, we may be subjected to adverse actions.

39. The company is subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.

As per the present financing arrangements of the company, the agreement contains restrictive covenants whereby the company is required to obtain approval from its lender, regarding, among other things such as major changes in share capital, management, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. There can be no assurance that such consents will be granted or that the company will be able to comply with the financial covenants under financing arrangements. In the event company breach any financial or other covenants contained in any of financing arrangements, the company may be required under the terms of such financing arrangements to immediately repay its borrowings either in whole or in part, together with any related costs. This may adversely impact results of operations and cash flows of the company.

40. The company might be exposed to the risk of delays or non-payment by clients and other counterparties, which may also result in cash flow mismatches.

The company might be exposed to counter party credit risk in the usual course of business dealings with clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions.

The company cannot assure of the continued viability of counterparties or that it will accurately assess their creditworthiness. The company also cannot assure that it will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by clients, business partners, suppliers or other counterparties could affect the financial condition, results of operations and cash flows.

41. The Promoter and members of the Promoter Group will continue jointly to retain majority control over the Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

Post the Issue, Promoter and Promoter Group will collectively own the majority of the equity share capital. As a result, they will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to Board, in accordance with the Companies Act, 2013 and its Articles of Association.

Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of the Company. In addition, Promoter will continue to have the ability to cause to take actions that are not in, or may conflict with, the interests or the interests of some or all of the creditors or other shareholders, and the company cannot assure that such actions will not have an adverse effect on its future financial performance or the price of Equity Shares.

- 42. The future funds requirements of the company, in the form of fresh issue of capital or securities and/or loans taken, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.**

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

- 43. The ability of the company to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in financing arrangements.**

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

Additionally, there might be a situation wherein the company might not be permitted to declare any dividends under the loan financing arrangement that Company may enter into future, if there is a default under such loan agreements or unless Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of the Equity Shares. There can be no assurance that the Equity Shares will appreciate in value.

The Company's clients have no obligation to avail its service and may either cancel, reduce or delay orders. The orders placed by Company's clients are dependent on factors such as the customer satisfaction with the level of consistency of the products that the Company supplies. Although, the company places a strong emphasis on quality, timely delivery of products, in the absence of long-term contracts, any change in the orders could adversely affect the business and the profitability of the Company.

- 44. The company's movable and immovable properties have been hypothecated/ mortgaged with the lenders to provide security in respect of finance availed by the company.**

The company has secured its lenders by creating a charge over its movable and immovable properties with respect of loans / facilities availed by the company. The total charge created for the company as per the last filing with the RoC stands at Rs. 19,60,00,000 [Rupees Nineteen Crore Sixty Lakhs Only] as secured loans. However, as on March 31, 2022, the outstanding CC limit is NIL. In the event if the company avails the loans and default in repayment of the loans / facilities availed by it and any interest thereof, the properties may be possessed by lenders, which in turn could have significant adverse-effect on business, financial condition or results of operations of the company.

- 45. Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application.**

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an application. While the company is required to complete listing pursuant to the issue within six working days from the issue closing date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted pursuant to the issue or cause the trading price of the Equity Shares to decline on listing.

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

As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only if Issue size exceeds Rs. 100 Crore. Hence, the company has not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the Companies Act, 2013, the Audit Committee of the Company would be monitoring the utilization of the Issue Proceeds.

EXTERNAL RISK FACTORS

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

Global economic and political factors that are beyond company's control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

- 48. Any changes in the regulatory framework could adversely affect the company's operations and growth prospects.**

The company is subject to various regulations and policies. The business and prospects could adversely be affected by changes in any of these regulations and policies [specially since the company is engaged in manufacturing of Plastic Packaging Material], including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that the Company will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse effect on its business, financial condition and results of operations.

- 49. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on operations and financial performance.**

Certain events that are beyond control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken. The operations and financial results and the market price and liquidity of equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

- 50. The company is subject to risks arising from interest rate fluctuations, which could adversely impact the business, financial condition and operating results.**

Changes in interest rates could significantly affect the financial condition and results of operations. If the interest rates for existing or future borrowings increase significantly, the cost of servicing such debt will increase. This may negatively impact the results of operations, planned capital expenditures and cash flows.

- 51. The price of Equity Shares may be volatile, or an active trading market for Equity Shares may not develop.**

Prior to this Issue, there has been no public market for Equity Shares of the company. However, the trading price of Equity Shares may fluctuate after this Issue due to a variety of factors, including results of operations and the performance of business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of competitors, the Indian Capital Markets and Finance industry, changes in the estimates of performance or recommendations by financial analysts and announcements made by the company or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

Taxes and other levies imposed by the Central or State Governments in India that impact the industry in which the company operates include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges

introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect financial condition and results of operations of the company.

53. The company is significantly affected by fluctuations in general economic activity.

Demand for the products is significantly affected by the general level of commercial activity and economic conditions in the regions and sectors in which the business operates. An economic downturn in a region or sector in which the company operate may adversely affect its operations in that region or sector. Further, the company may also experience more competitive pricing pressure during periods of economic downturn.

54. Prospective investors/shareholders may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under the current Indian Income Tax provisions, all transactions of purchase and sales of securities on Indian stock exchanges are subject to levy of securities transaction tax (STT) which will be collected by respective stock exchange on which the securities are transacted. Accordingly, the Indian Income Tax Act has special capital gains tax provisions for all transactions of purchase and sale of equity shares carried out on the Indian Stock Exchanges as enumerated below. Under the current Indian Income Tax provisions, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India.

SECTION IV: INTRODUCTION

THE ISSUE

The present Issue of 28,50,000 Equity Shares in terms of draft prospectus has been authorized pursuant to a resolution of our Board of Directors held on June 01, 2022 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 29, 2022.

The following is the summary of the Issue:

PARTICULARS	DETAILS
Present Issue ⁽¹⁾	Up to 28,50,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹1,140.00 Lakhs.
Out of which:	
Market Maker Reservation Portion	Up to 1,44,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹10/- per Equity Share aggregating to ₹57.60 Lakhs.
Net Issue to the Public ⁽²⁾	Up to 27,06,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹1,082.40 Lakhs.
Out of which:	
Allocation to Retail Individual Investors for up to Rs. 2.00 lakh	13,53,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹541.20 Lakhs.
Allocation to other investors for above Rs. 2.00 lakh	13,53,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹40/- per Equity Share aggregating to ₹541.20 Lakhs.
Pre- and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	78,95,025 Equity Shares having face value of ₹10/- each
Equity Shares outstanding after the Issue*	1,07,45,025 Equity Shares having face value of ₹10/- each
Objects of the Issue	Please refer to the section titled “Objects of the issue” beginning on page no. 61 of this draft prospectus.
Issue Open on	[●]
Issue Close on	[●]

*Assuming Full Allotment

⁽¹⁾ The present Issue is being made by our Company in terms of Regulation 229(2) of the 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 offered to the public for subscription

⁽²⁾ This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

(a) Minimum 50% to the Retail individual investors; and

(b) remaining to:

- individual applicants other than retail individual investors; and
- other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

Explanation: For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled **“Terms of the Issue”** beginning on page 197 of this draft prospectus.

SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

Particulars	Note No.	Amt. in Lakhs		
		As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Equity & Liabilities				
1. Shareholders Fund				
a) Share capital	I.1	175.45	175.45	175.45
b) Reserves and surplus	I.2	2,929.68	2,663.75	2,534.89
Total Shareholder's Fund		3,105.13	2,839.20	2,710.33
2. Non Current Liabilities				
a) Long Term Borrowings	I.3	-	20.71	25.72
b) Deferred Tax Liability		-	-	-
c) Other Long Term Liabilities	I.4	7.46	69.87	69.87
Total Non Current Liabilities		7.46	90.58	95.59
3. Current Liabilities				
a) Short Term Borrowings	I.5	-	20.30	-
b) Trade Payables	I.6	15.75	12.68	66.13
c) Other Current Liabilities	I.7	89.22	80.96	63.18
d) Short Term Provisions	I.8	197.14	156.51	64.70
Total Current Liabilities		302.10	270.45	194.01
Total Equity & Liability		3,414.68	3,200.22	2,999.93
4. Non-Current Assets				
a) Fixed Assets				
- Tangible Assets	I.09	565.11	557.01	600.92
- Intangible Assets		-	-	-
- Work-In-Progress		-	-	-
Total Fixed Assets				
b) Non - current Investments	I.10	-	-	-
c) Deferred Tax Assets (Net)	I.11	5.98	5.48	5.55
d) Long Term Loans and Advances	I.12	978.98	1,016.14	777.11
e) Other Non- current Assets	I.13	-	-	-
Total Non Current Assets		1,550.07	1,578.63	1,383.59
5. Current assets				
a) Current Investment	I.14	877.25	639.57	1,016.90
b) Inventories	I.15	538.17	733.65	456.88
c) Trade Receivables	I.16	54.84	74.01	8.53
d) Cash and Cash Equivalents balances	I.17	168.81	11.74	27.91
e) Short Term Loans and advances	I.18	6.39	8.41	5.81
f) Other Current Assets	I.19	219.14	154.21	100.30
Total Current Assets		1,864.61	1,621.59	1,616.34
Total Assets		3,414.68	3,200.22	2,999.93

STATEMENT OF PROFIT & LOSS, AS RESTATED

Particulars	Note No.	Amt. in Lakhs		
		As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Income				
Revenue from Operations	II.1	4,646.83	2,949.23	3,149.64
Other Income	II.2	92.33	159.30	193.52
Total Revenue		4,739.16	3,108.53	3,343.16
Expenditure				
Cost of Material Consumed	II.3	3,185.99	2,143.97	2,352.06
Change in Inventories	II.4	383.21	(125.75)	(102.87)
Employee Benefit Expenses	II.5	135.06	126.99	122.81
Other Expenses	II.6	614.22	684.17	605.95
Total Expenses		4,318.48	2,829.38	2,977.96
Profit Before Interest, Depreciation and Tax		420.68	279.15	365.20
Depreciation & Amortisation Expenses	I.09	47.42	54.53	69.57
Profit Before Interest and Tax		373.26	224.62	295.63
Financial Charges	II.7	2.48	3.87	12.75
Profit before Taxation		370.78	220.75	282.88
Provision for Taxation	II.8	105.33	91.81	64.70
Provision for Deferred Tax		(0.48)	0.07	(1.67)
Total		104.85	91.88	63.03
Profit After Tax but Before Extra ordinary Items		265.93	128.87	219.85
Extraordinary Items		-	-	-
Profit Attributable to Minority Shareholders		-	-	-
Net Profit after adjustments		265.93	128.87	219.85
Net Profit Transferred to Balance Sheet		265.93	128.87	219.85

STATEMENT OF CASH FLOW, AS RESTATED

PARTICULARS	Amt. in Lakhs		
	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax as per Profit & Loss A/c	370.78	220.75	282.88
Adjusted for :			
a. Depreciation	47.42	54.53	69.57
b. Interest Expenses & Finance Cost	3.69	3.87	12.75
c. Other Adjustments	(30.55)	-	(26.34)
d. Interest & Other Income	(17.96)	159.30	193.52
Operating profit before working capital changes			
Adjusted for :			
a. Decrease /(Increase) in Inventories	195.48	(276.77)	(24.41)
b. Decrease / (Increase) in trade receivable	19.17	(65.48)	43.34
b. Decrease / (Increase) in Current Investments	(237.71)	377.34	(530.23)
c. (Increase) / Decrease in short term loans and advances	1.01	(2.59)	3.79
d. Increase / (Decrease) in Trade Payables	3.06	(53.45)	(1.05)
e. Increase / (Decrease) in short term provisions	40.63	91.81	(151.64)
f. Increase / (Decrease) in other current liabilities	8.26	17.78	5.78
g. (Increase) / Decrease in Other Current Assets	(64.93)	(53.91)	127.03
Cash generated from operations			
Net Income Tax (Paid)/Refund	(105.33)	(91.88)	(64.70)
Net Cash Generated/(Used) From Operating Activities (A)	233.04	381.30	(59.73)
B. CASH FLOW FROM INVESTING ACTIVITIES			
a. (Purchase) Sale of Fixed Assets	(55.51)	43.91	(4.06)
b.(Purchase) / Sale of non-current investment	-	-	241.50
c. (Increase) / Decrease in Long term loans and advances	38.15	(239.02)	34.90
d. Increase / (Decrease) in Long Term Provisions	(62.41)		
e. (Increase) / Decrease in Other Non Current Assets	-	0.07	-
f. (Increase) in Misc. Expenses	30.55	(54.53)	26.29
g. Interest & Other Income	17.96	(159.30)	(193.52)
Net Cash Generated/(Used) From Investing Activities (B)	(31.26)	(408.86)	105.12
C. CASH FLOW FROM FINANCING ACTIVITIES			
a. Interest & Finance Cost	(3.69)	(3.87)	(12.75)
b. Proceeds from share issued including Premium			
c. (Repayments) / proceeds of long term borrowings	(20.71)	(5.01)	(11.16)
d. (Repayments) / proceeds of short term borrowings	(20.30)	20.30	(10.67)
Net Cash Generated/(Used) From Financing Activities (C)	(44.70)	11.41	(34.59)
Net Increase / (Decrease) in cash and cash equivalents	157.07	(16.17)	10.81
Cash and cash equivalents at the beginning of the year	11.74	27.91	17.10
Cash and cash equivalents at the end of the year	168.81	11.74	27.91

SECTION V: GENERAL INFORMATION

Our Company was originally incorporated as “*Mega Flex Plastics Private Limited*” on November 18, 2003 vide certificate of incorporation bearing Corporate Identity No. U25209WB2003PTC097273 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, West Bengal. Subsequently, the company was converted into Public Limited Company vide a fresh certificate of incorporation issued by the Registrar of Companies - West Bengal, consequent upon conversion from Private Limited to Public Company dated February 01, 2007 in the name of “*Mega Flex Plastics Limited*”. The Corporate Identification Number of our Company changed to U25209WB2003PLC097273. For further details, please refer to section titled “*Our History and Certain Corporate Matters*” beginning on page no 110 of the Draft Prospectus.

Brief of Company and Issue Information	
Registered & Corporate Office	Mega Flex Plastics Limited 4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India Contact Person: Mrs. Parul Mantri Contact No: +91 33 40293494 Email ID: compliance@megaflex.in Website: www.megaflex.co.in
Factory Office	Polypark, Plot No. - PPD 3, Village - Sandhipur P.O. - Joynagar, Dist. - Howrah – 711302, West Bengal, India Contact Person: Mr. Brijesh Singh Contact No: +91 98742 45201 Email ID: brijesh@megaflex.in Website: www.megaflex.co.in
Date of Incorporation	November 18, 2003
Corporate Identification Number	U25209WB2003PLC097273
Company Category	Company Limited by Shares
Company Subcategory	Indian Non-Government Company
Address of Registrar of Companies	Registrar of Companies, Kolkata, West Bengal Nizam Place, 2nd MSO Building, 2nd Floor, Kolkata – 700 020, India.
Designated Stock Exchange[^]	National Stock Exchange of India Limited, SME EMERGE Platform of NSE (“NSE EMERGE”) Address: Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051
Company Secretary and Compliance Officer	Mrs. Parul Mantri Mega Flex Plastics Limited 4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India Contact No: +91 98742 45045 Email ID: compliance@megaflex.in
Chief Financial Officer	Mr. Sanjay Kumar Singh Mega Flex Plastics Limited 4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India Contact No: +91 98742 45192 Email ID: sanjay@megaflex.in
Peer Review / Statutory Auditor of the company	S. Jaykishan, Chartered Accountants 14/3, Chhatawala Lane, 2nd floor, Kolkata – 700012, West Bengal, India Tel No: +91 98310 27761 E-mail ID: bkkhaitan@sjaykishan.com Contact Person: Mr. Binod Kumar Khaitan Designation: Partner Membership No: 052469 Firm Registration No.: 309005E Peer Review Certificate No: 014338; valid till April 30, 2025

[^] In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we have made an application to NSE on the EMERGE Platform only for listing of our equity shares.

Board of Directors of Our Company

Our Company's Board comprises of the following Directors:

Sl. No.	Name of the Director	DIN	Current Designation	Age	Address
1	Mohan Lal Parakh	02186254	Chairman and Wholetime Director	77 Years	1, Brindaban Garden, 98 Christopher Road, Kolkata - 700 461, West Bengal, India
2	Hukum Chand Bothra	00550653	Managing Director	56 Years	2 No, Ho Chi Minh Sarani, Flat-4B, Kolkata - 700 071, West Bengal, India
3	Rakesh Sethia	00409033	Executive Director	50 Years	4, Ho Chi Minh Sarani, Flat-4C, Kolkata - 700071, West Bengal, India
4	Aakriti Agarwal	09053941	Independent Director	28 Years	4/1, Ho Chi Minh Sarani, Kolkata - 700071, West Bengal, India
5	Puja Daga	09594635	Independent Director	46 Years	AD-78, 1st Floor, Near Tank no-3, Sector-I, Salt Lake City, Kolkata - 700064, West Bengal, India
6	Alok Kanodia	09594643	Independent Director	51 Years	146, Block-A, Bangur Avenue, North 24 Parganas, Kolkata - 700055, West Bengal, India

For further details of the Board of Directors, please refer to the Section titled **"Our Management"** beginning on page no 115 of this draft prospectus.

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

LEAD MANAGER	REGISTRAR TO THE ISSUE
FINSHORE MANAGEMENT SERVICES LIMITED 'Anandlok', Block-A, 2 nd Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal Telephone: 033 – 2289 5101 / 4603 2561 Email: ramakrishna@finshoregroup.com Website: www.finshoregroup.com Investor Grievance Email: info@finshoregroup.com Contact Person: Mr. S. Ramakrishna Iyengar SEBI Registration No: INM000012185 CIN: U74900WB2011PLC169377	CAMEO CORPORATE SERVICES LIMITED "Subramanian Building", #1, Club House Road, Chennai - 600 002, India Telephone: +91-44-40020700, 28460390 Facsimile: +91-44-28460129 Email: investor@cameoindia.com Contact Person: Mr. R.D. Ramasamy, Director Website: www.cameoindia.com SEBI Registration Number: INR000003753 CIN: U67120TN1998PLC041613
BANKER TO THE ISSUE AND SPONSOR BANK	LEGAL ADVISOR TO THE ISSUE
ICICI BANK LIMITED Capital Market Division, 1 st floor, 5 th Floor, HT Parekh Marg Churchgate, Mumbai – 400020, Maharashtra, India Telephone: 022 – 68052182 Email: sagar.welekar@icicibank.com / ipocmg@icicibank.com Contact Person: Mr. Sagar Welekar Website: www.icicibank.com SEBI Registration Number: INR000003753 CIN: L65190GJ1994PLC021012	CANDOUR LEGAL 64, The Chambers, Near the Grand Bhagwati, S G highway, Ahmedabad-380 054, Gujarat, India Telephone: +91 72288 88745; +91 – 74054 73227 Email ID: contact@candourlegal.com Website: www.candourlegal.com Contact Person: Mr. Moti Dabhi

Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

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

Statement of Inter Se Allocation of Responsibilities

Finshore Management Services Limited is the sole 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 is not required.

Self-Certified Syndicate Banks (“SCSBs”)

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> . For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

Issuer Banks for UPI

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

Registered Brokers

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

Brokers to This Issue

All brokers registered with SEBI and members of the Recognised Stock Exchange can act as brokers to the Offer.

Registrar to Issue and Share Transfer Agents

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 Stock Exchange at National Stock Exchange of India Limited, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time. 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.

Credit Rating

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

Trustees

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

Debenture Trustees

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

IPO Grading

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

Monitoring Agency

As per regulation 26(2)(1) of the SEBI ICDR Regulations 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of ₹1,140.00 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Appraising Entity

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

Filing of Draft Prospectus/Prospectus with the SEBI/ROC

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the Board (SEBI) shall not issue any observation on the offer document.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Draft Prospectus will be mailed at the e-mail address: cfdil@sebi.gov.in

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the **Registrar of Companies – Kolkata**.

Issue Programme

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with NSE EMERGE	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE EMERGE	[●]

Expert Opinion

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this draft prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this draft prospectus.

Change in Auditors during the last three (3) years

Name of the Auditor	V Jalan & Co., Chartered Accountants	S. Jaykishan, Chartered Accountants
FRN No	320010E	309005E
Peer Review No.	--	014338
Date of Appointment	30-09-2019	29-06-2022
Date of Resignation	10-06-2022	--
Period From	01-04-2019	01-04-2021
Period to	31-03-2024	31-03-2022
Email ID	rbc_kol@yahoo.co.in	bkkhaitan@sjaykishan.com
Address	24, Netaji Subhas Road, 4th Floor, Room No. 33, Kolkata – 700001, West Bengal, India	14/3, Chhatawala Lane, 2nd floor, Kolkata – 700012, West Bengal, India
Reason for Change	Due to pre-occupation in other assignments	Holds a valid Peer Review Certificate

Underwriter

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name, Address, Telephone, and Email of the Underwriter	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue Size Underwritten
Finshore Management Services Limited Anandlok, Block-A, 2nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, India Tel No: 033 – 2289 5101 / 4603 2561 Website: www.finshoregroup.com Email: ramakrishna@finshoregroup.com Investor Grievance Email: info@finshoregroup.com Contact Person: Mr. S. Ramakrishna Iyengar SEBI Registration No: INM000012185	28,50,000 Equity Shares*	₹1,140.00 Lakhs	100.00%

*Includes 1,44,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

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

Details of Market Making Arrangement for This Issue

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

Name	[●]
Address	[●]
Contact Person	[●]
Telephone	[●]
E-mail	[●]
SEBI Registration No	[●]
CIN	[●]

[●], registered with National Stock Exchange of India 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 in SEBI (ICDR) Regulations as amended from time to time.

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

- In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the NSE and SEBI regarding this matter from time to time.
- In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the NSE EMERGE.
- In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement
 - The Market Maker “[●]” shall be required to provide a two-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).
 - 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 NSE EMERGE and SEBI from time to time.
 - The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012 and SEBI ICDR Regulations and relevant Exchange Circulars requirement for Market Makers on SME platform.

4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
5. 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.
6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on NSE EMERGE (in this case currently the minimum trading lot size is 3,000 equity shares; however, the same may be changed by the NSE EMERGE from time to time).
7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on EMERGE Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the National Stock Exchange of India Limited.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of **Mega Flex Plastics Limited** or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters' holding of **Mega Flex Plastics Limited** shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of **Mega Flex Plastics Limited** which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the EMERGE Platform of NSE, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of **Mega Flex Plastics Limited** via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. **Risk containment measures and monitoring for Market Maker:** NSE EMERGE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Maker(s):** NSE EMERGE Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

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

16. 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
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

18. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
 19. **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 issue price. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on NSE EMERGE.*
- *In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the NSE EMERGE: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE.*

SECTION VI: CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this draft prospectus, is set forth below:

(Rs. in Lakhs except share data)

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A.	Authorized Share Capital		
	1,10,00,000 Equity Shares of ₹10/- each	1,100.00	--
B.	Issued, Subscribed & Paid-up Share Capital prior to the Offer ⁽¹⁾		
	78,95,025 Equity Shares of ₹10/- each	789.50	--
C.	Present issue in terms of the draft prospectus ⁽²⁾		
	28,50,000 Equity Shares of ₹10/- each for cash at a price of ₹40/- per share	285.00	1,140.00
Which Comprises of			
D.	Reservation for Market Maker portion		
	1,44,000 Shares of ₹10/- each for cash at a price a ₹40/- per Equity Share	14.40	57.60
E.	Net Issue to the Public		
	27,06,000 Equity Shares of ₹10/- each for cash at a price a ₹10/- per Equity Share, out of which:	270.60	1,082.40
	13,53,000 Equity Shares of ₹10/- each for cash at a price a ₹40/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹2.00 lakhs	135.30	541.20
	13,53,000 Equity Shares of ₹10/- each for cash at a price a ₹40/- per Equity Share will be available for allocation for allotment to Other Investors of above ₹2.00 lakhs	135.30	541.20
F.	Paid up Equity capital after the Issue		
	1,07,45,025 Equity Shares of ₹10/- each	1,074.50	
G.	Securities Premium Account		
	Before the Issue	428.45	
	After the Issue	1283.45	

⁽¹⁾ Our Company has only one class of share, i.e., Equity Shares having face value of ₹10/- each and there are no partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this draft prospectus.

⁽²⁾ The present Issue of 28,50,000 Equity Shares in terms of draft prospectus has been authorized pursuant to a resolution of our Board of Directors dated June 01, 2022 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 29, 2022.

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

Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (Rs.)	Details of change
18-11-2003	On Incorporation	51,00,000	Incorporated with an Authorized Share Capital of ₹51,00,000 comprising of 5,10,000 Equity Shares of ₹10/- each.
01-09-2006	EGM	1,00,00,000	Increase in Authorized Share Capital from ₹51,00,000 comprising of 5,10,000 Equity Shares of ₹10/- each to ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10/- each.
12-03-2007	EGM	1,51,00,000	Increase in Authorized Share Capital from ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10/- each to ₹1,51,00,000 comprising of 15,10,000 Equity Shares of ₹10/- each.
11-12-2008	EGM	1,75,00,000	Increase in Authorized Share Capital from ₹1,51,00,000 comprising of 15,10,000 Equity Shares of ₹10/- each to ₹1,75,00,000 comprising of 17,50,000 Equity Shares of ₹10/- each.
10-09-2011	EGM	1,80,00,000	Increase in Authorized Share Capital from ₹1,75,00,000 comprising of 17,50,000 Equity Shares of ₹10/- each to ₹1,80,00,000 comprising of 18,00,000 Equity Shares of ₹10/- each.

Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (Rs.)	Details of change
29-06-2022	EGM	11,00,00,000	Increase in Authorized Share Capital from ₹1,80,00,000 comprising of 18,00,000 Equity Shares of ₹10/- each to ₹11,00,00,000 comprising of 1,10,00,000 Equity Shares of ₹10/- each.

Notes to Capital Structure

Share capital history of our Company

(1) Equity shares capital history of our Company:

The following is the history of the equity share capital of our Company:

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (in ₹)	Cumulative Share Premium (in ₹)
18-11-2003 ⁽¹⁾	12,000	10.00	10.00	Cash	Subscription to MOA	12,000	1,20,000	-
30-03-2005 ⁽²⁾	500	10.00	10.00	Cash	Further Allotment	12,500	1,25,000	-
27-03-2006 ⁽³⁾	100	10.00	10.00	Cash	Further Allotment	12,600	1,26,000	-
14-06-2006 ⁽⁴⁾	80,000	10.00	10.00	Cash	Further Allotment	92,600	9,26,000	-
19-09-2006 ⁽⁵⁾	6,40,000	10.00	10.00	Cash	Further Allotment	7,32,600	73,26,000	-
15-01-2007 ⁽⁶⁾	35,500	10.00	10.00	Cash	Further Allotment	7,68,100	76,81,000	-
10-03-2008 ⁽⁷⁾	6,28,750	10.00	40.00	Cash	Further Allotment	13,96,850	1,39,68,500	1,88,62,500
19-03-2009 ⁽⁸⁾	37,500	10.00	40.00	Cash	Further Allotment	14,34,350	1,43,43,500	1,99,87,500
26-11-2009 ⁽⁹⁾	20,000	10.00	42.50	Cash	Further Allotment	14,54,350	1,45,43,500	2,06,37,500
03-10-2011 ⁽¹⁰⁾	3,00,100	10.00	84.00	Cash	Further Allotment	17,54,450	1,75,44,500	4,28,44,900
08-07-2022 ⁽¹¹⁾	61,40,575	10.00	-	NA	Bonus Issue	78,95,025	7,89,50,250	4,28,44,900

(1) Allotment on Initial subscription to the Memorandum of Association dated 18-11-2003:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Rakesh Sethia	10.00	10.00	Subscription to MOA	2,000
2	Depesh Sethia	10.00	10.00	Subscription to MOA	2,000
3	Ripam Kochhar	10.00	10.00	Subscription to MOA	2,000
4	Ravinder Kumar Kochhar	10.00	10.00	Subscription to MOA	2,000
5	Bimal Kumar Sethia	10.00	10.00	Subscription to MOA	2,000
6	Anup Chand Sethia	10.00	10.00	Subscription to MOA	2,000
Total					12,000

(2) Further on 30-03-2005 Company has allotted 500 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Hukum Chand Bothra HUF	10.00	10.00	Further Allotment	100
2	Khem Chand Bohra HUF	10.00	10.00	Further Allotment	100
3	Rajesh Bothra HUF	10.00	10.00	Further Allotment	100
4	Tara Chand Bothra HUF	10.00	10.00	Further Allotment	100
5	Samta Plastics Pvt Ltd	10.00	10.00	Further Allotment	100
Total					500

(3) Further on 27-03-2006 Company has allotted 100 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Channel Plastics Private Limited	10.00	10.00	Further Allotment	100
Total					100

(4) Further on 14-06-2006 Company has allotted 80,000 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Preeti Bothra	10.00	10.00	Further Allotment	5,200
2	Tara Chand Bothra HUF	10.00	10.00	Further Allotment	6,000
3	Dimpal Bothra	10.00	10.00	Further Allotment	6,000
4	Rajesh Bothra	10.00	10.00	Further Allotment	11,600
5	Khem Chand Bothra	10.00	10.00	Further Allotment	14,000
6	Hukum Chand Bothra	10.00	10.00	Further Allotment	17,200
7	Tara Chand Bothra	10.00	10.00	Further Allotment	20,000
Total					80,000

(5) Further on 19-09-2006 Company has allotted 6,40,000 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Khem Chand Bothra HUF	10.00	10.00	Further Allotment	10,000
2	Jamuna Devi Bothra	10.00	10.00	Further Allotment	10,000
3	Anup Chand Sethia	10.00	10.00	Further Allotment	15,000
4	Gopi Ram Sharma	10.00	10.00	Further Allotment	17,500
5	Kamal Kumar Sharma	10.00	10.00	Further Allotment	20,000
6	Nilima Sethia	10.00	10.00	Further Allotment	50,000
7	Samta Plastics Pvt Ltd	10.00	10.00	Further Allotment	60,000
8	Samta Polymers Ltd	10.00	10.00	Further Allotment	1,27,500
9	Channel Plastics Private Limited	10.00	10.00	Further Allotment	3,30,000
Total					6,40,000

(6) Further on 15-01-2007 Company has allotted 35,500 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Usha Sethia	10.00	10.00	Further Allotment	35,500
Total					

(7) Further on 10-03-2008 Company has allotted 6,28,750 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Ratan Devi Sethia	10.00	40.00	Further Allotment	450
2	Tara Chand Bothra - HUF	10.00	40.00	Further Allotment	1,250
3	Rajesh Bothra - HUF	10.00	40.00	Further Allotment	2,500
4	Subhash Chandra Kakar	10.00	40.00	Further Allotment	3,000
5	Khem Chand Bothra - HUF	10.00	40.00	Further Allotment	5,000
6	Tara Chand Bothra	10.00	40.00	Further Allotment	5,000
7	Khem Chand Bothra	10.00	40.00	Further Allotment	9,000
8	Hukum Chand Bothra - HUF	10.00	40.00	Further Allotment	10,000
9	Jamuna Devi Bothra	10.00	40.00	Further Allotment	10,000
10	Nilima Sethia	10.00	40.00	Further Allotment	11,000
11	Rajesh Bothra	10.00	40.00	Further Allotment	12,100
12	Dimpal Bothra	10.00	40.00	Further Allotment	13,500
13	Hukum Chand Bothra	10.00	40.00	Further Allotment	15,700
14	Sangeeta Bothra	10.00	40.00	Further Allotment	20,000
15	Anup Chand Sethia	10.00	40.00	Further Allotment	48,250
16	Rakesh Sethia	10.00	40.00	Further Allotment	49,500
17	Usha Sethia	10.00	40.00	Further Allotment	60,000
18	Samta Polymers Ltd	10.00	40.00	Further Allotment	1,10,000
19	Channel Plastics Private Limited	10.00	40.00	Further Allotment	2,42,500
Total					6,28,750

(8) Further on 19-03-2009 Company has allotted 37,500 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Samta Packaging Pvt. Ltd.	10.00	40.00	Further Allotment	37,500
Total					37,500

(9) Further on 26-11-2009 Company has allotted 20,000 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Dimple Bothra	10.00	42.50	Further Allotment	2,000
2	Hukum Chand Bothra (HUF)	10.00	42.50	Further Allotment	2,000
3	Khem Chand Bothra (HUF)	10.00	42.50	Further Allotment	2,000
4	Rajesh Bothra	10.00	42.50	Further Allotment	2,000
5	Rajesh Bothra (HUF)	10.00	42.50	Further Allotment	2,000
6	Sangeeta Bothra	10.00	42.50	Further Allotment	2,000
7	Preeti Bothra	10.00	42.50	Further Allotment	4,000
8	Tara Chand Bothra (HUF)	10.00	42.50	Further Allotment	4,000
Total					20,000

(10) Further on 03-10-2011 Company has allotted 3,00,100 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Subhash Chandra Kakar	10.00	84.00	Further Allotment	600
2	Oxide Infrastructure Pvt Ltd	10.00	84.00	Further Allotment	82,000
3	Pragatisheel Commercial Pvt Ltd	10.00	84.00	Further Allotment	2,17,500
Total					3,00,100

(11) Further on 08-07-2022 Company has allotted 61,40,575 Equity Shares as Further Allotment as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Kamal Kumar Sharma	10.00	Nil	Bonus Issue	350
2	Subhash Chandra Kakar	10.00	Nil	Bonus Issue	12,600
3	Rajesh Bothra-HUF	10.00	Nil	Bonus Issue	16,100
4	Tara Chand Bothra (HUF)	10.00	Nil	Bonus Issue	39,725
5	Preeti Bothra	10.00	Nil	Bonus Issue	46,200
6	Rajesh Bothra	10.00	Nil	Bonus Issue	58,450
7	Rakesh Sethia & Sons (HUF)	10.00	Nil	Bonus Issue	66,500
8	Sarda Devi Parakh	10.00	Nil	Bonus Issue	70,000
9	Khem Chand Bothra (HUF)	10.00	Nil	Bonus Issue	73,850
10	Dimple Bothra	10.00	Nil	Bonus Issue	89,250
11	Sangeeta Bothra	10.00	Nil	Bonus Issue	91,000
12	Hukum Chand Bothra-HUF	10.00	Nil	Bonus Issue	97,300
13	Samta Packaging Pvt Ltd	10.00	Nil	Bonus Issue	1,31,250
14	Nilima Sethia	10.00	Nil	Bonus Issue	1,43,500
15	Khem Chand Bothra	10.00	Nil	Bonus Issue	1,50,500
16	Hukum Chand Bothra	10.00	Nil	Bonus Issue	1,58,200
17	Mohan Lal Parakh	10.00	Nil	Bonus Issue	1,75,000
18	Tara Chand Bothra	10.00	Nil	Bonus Issue	1,92,500
19	Samta Plastics Pvt Ltd	10.00	Nil	Bonus Issue	2,51,300
20	Agrani Finserv Advisors Pvt Ltd	10.00	Nil	Bonus Issue	2,87,000
21	Usha Sethia	10.00	Nil	Bonus Issue	3,34,250
22	Rakesh Sethia	10.00	Nil	Bonus Issue	3,43,700
23	Pragatisheel Commercial LLP	10.00	Nil	Bonus Issue	5,45,300
24	Samta Polymers Limited	10.00	Nil	Bonus Issue	7,34,650
25	Channel Plastics Pvt Ltd	10.00	Nil	Bonus Issue	20,32,100
Total					61,40,575

As on the date of this draft prospectus, our Company does not have any preference share capital.

(2) **Equity shares issued for consideration other than cash:**

As on the date of this draft prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below.

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
08-07-2022	61,40,575	Nil	Nil	Bonus Issue	#	Capitalization of reserves

#For list of allottees, see note 11 of paragraph titled "Equity Share Capital History of our Company" mentioned above.

(3) **Revaluation of our assets:**

We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

(4) **If shares have been issued in terms of any scheme approved under section 230-234 of the Companies Act, 2013:**

Our Company has not issued any Equity Shares in terms of any scheme approved under section 230-234 of the Companies Act, 2013.

(5) **If shares have been issued under one or more employee stock option schemes:**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this draft prospectus.

(6) **Issue of Equity Shares in the last one year below the Issue Price:**

Our company has issued equity shares at a price lower than the issue price of Rs. 10/- each during the preceding one year from the date of this draft prospectus as per below mentioned details.

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Consideration	Nature of Allotment
08-07-2022	61,40,575	10.00	-	Nil	Bonus Shares

(7) Shareholding Pattern of our Company:

The table below presents the current shareholding pattern of our Company as on the date of this draft prospectus.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	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 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 (XIV)#
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (Sb)	
								Class: X	Class: Y	Total								
A1	Promoter	4	34,83,000	-	-	34,83,000	44.12%	34,83,000	-	34,83,000	44.12%	-	44.12%	-	-	-	-	34,83,000
A2	Promoter Group	19	43,95,375	-	-	43,95,375	55.67%	43,95,375	-	43,95,375	55.67%	-	55.67%	-	-	-	-	43,95,375
B	Public	2	16,650	-	-	16,650	0.21%	16,650	-	16,650	0.21%	-	0.21%	-	-	-	-	16,650
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		25	78,95,025	-	-	78,95,025	100.00%	78,95,025	-	78,95,025	100.00%	-	100.00%	-	-	-	-	78,95,025

As on date of this draft prospectus, 1 Equity share holds 1 vote.

As on date, we have only one class of Equity Shares of face value of Rs. 10/- each.

All Pre-IPO equity shares of our company will be locked-in as per regulations of SEBI ICDR prior to listing of shares on EMERGE Platform of NSE.

In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are in dematerialized form.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Share.

- (i) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on the date of the draft prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Channel Plastics Private Limited	26,12,700	33.09%
2	Rakesh Sethia	4,41,900	5.60%
3	Mohan Lal Parakh	2,25,000	2.85%
4	Hukum Chand Bothra	2,03,400	2.58%
5	Samta Polymers Limited	9,44,550	11.96%
6	Pragatisheel Commercial LLP	7,01,100	8.88%
7	Usha Sethia	4,29,750	5.44%
8	Agrani Finserv Advisors Pvt Ltd	3,69,000	4.67%
9	Samta Plastics Pvt Ltd	3,23,100	4.09%
10	Tara Chand Bothra	2,47,500	3.13%
11	Khem Chand Bothra	1,93,500	2.45%
12	Nilima Sethia	1,84,500	2.34%
13	Samta Packaging Pvt Ltd	1,68,750	2.14%
14	Hukum Chand Bothra-HUF	1,25,100	1.58%
15	Sangeeta Bothra	1,17,000	1.48%
16	Dimpal Bothra	1,14,750	1.45%
17	Khem Chand Bothra (HUF)	94,950	1.20%
18	Sarda Devi Parakh	90,000	1.14%
19	Rakesh Sethia & Sons (HUF)	85,500	1.08%
Total		76,72,050	97.18%

- (ii) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 10 days before the date of the draft prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Channel Plastics Private Limited	26,12,700	33.09%
2	Rakesh Sethia	4,41,900	5.60%
3	Mohan Lal Parakh	2,25,000	2.85%
4	Hukum Chand Bothra	2,03,400	2.58%
5	Samta Polymers Limited	9,44,550	11.96%
6	Pragatisheel Commercial LLP	7,01,100	8.88%
7	Usha Sethia	4,29,750	5.44%
8	Agrani Finserv Advisors Pvt Ltd	3,69,000	4.67%
9	Samta Plastics Pvt Ltd	3,23,100	4.09%
10	Tara Chand Bothra	2,47,500	3.13%
11	Khem Chand Bothra	1,93,500	2.45%
12	Nilima Sethia	1,84,500	2.34%
13	Samta Packaging Pvt Ltd	1,68,750	2.14%
14	Hukum Chand Bothra-HUF	1,25,100	1.58%
15	Sangeeta Bothra	1,17,000	1.48%
16	Dimpal Bothra	1,14,750	1.45%
17	Khem Chand Bothra (HUF)	94,950	1.20%
18	Sarda Devi Parakh	90,000	1.14%
19	Rakesh Sethia & Sons (HUF)	85,500	1.08%
Total		76,72,050	97.18%

(iii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 1 (one) year before the date of the draft prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the then existing paid-up capital
1	Channel Plastics Pvt Ltd	5,80,600	33.09%
2	Samta Polymers Limited	2,09,900	11.96%
3	Pragatisheel Commercial LLP	1,55,800	8.88%
4	Rakesh Sethia	98,200	5.60%
5	Usha Sethia	95,500	5.44%
6	Agrani Finserv Advisors Pvt Ltd	82,000	4.67%
7	Samta Plastics Pvt Ltd	71,800	4.09%
8	Tara Chand Bothra	55,000	3.13%
9	Mohan Lal Parakh	50,000	2.85%
10	Hukum Chand Bothra	45,200	2.58%
11	Khem Chand Bothra	43,000	2.45%
12	Nilima Sethia	41,000	2.34%
13	Samta Packaging Pvt Ltd	37,500	2.14%
14	Hukum Chand Bothra-HUF	27,800	1.58%
15	Sangeeta Bothra	26,000	1.48%
16	Dimpal Bothra	25,500	1.45%
17	Khem Chand Bothra (HUF)	21,100	1.20%
18	Sarda Devi Parakh	20,000	1.14%
19	Rakesh Sethia & Sons (HUF)	19,000	1.08%
Total		17,04,900	97.15%

(iv) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 2 (two) year before the date of the draft prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the then existing paid-up capital
1	Channel Plastics Pvt Ltd	5,80,600	33.09%
2	Samta Polymers Limited	2,09,900	11.96%
3	Pragatisheel Commercial LLP	1,55,800	8.88%
4	Rakesh Sethia	98,200	5.60%
5	Usha Sethia	95,500	5.44%
6	Agrani Finserv Advisors Pvt Ltd	82,000	4.67%
7	Samta Plastics Pvt Ltd	71,800	4.09%
8	Tara Chand Bothra	55,000	3.13%
9	Mohan Lal Parakh	50,000	2.85%
10	Khem Chand Bothra	43,000	2.45%
11	Nilima Sethia	41,000	2.34%
12	Samta Packaging Pvt Ltd	37,500	2.14%
13	Jamuna Devi Bothra	28,000	1.60%
14	Hukum Chand Bothra-HUF	27,800	1.58%
15	Sangeeta Bothra	26,000	1.48%
16	Dimpal Bothra	25,500	1.45%
17	Khem Chand Bothra (HUF)	21,100	1.20%
18	Sarda Devi Parakh	20,000	1.14%
19	Rakesh Sethia & Sons (HUF)	19,000	1.08%
Total		16,87,700	96.17%

(8) **Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:**

Our Company does not have any intention or proposal to alter our capital structure within a period of 6 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 exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

(9) **The Details of Shareholding of Promoter's and Promoter Group of Our Company;**

Capital Build-up of our Promoter's in our Company: The current promoters of our Company are M/s. Channel Plastics Private Limited, Mr. Rakesh Sethia, Mr. Mohan Lal Parakh and Mr. Hukum Chand Bothra.

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this draft prospectus, our Promoters collectively hold 34,83,000 Equity Shares, which constitutes approximately 44.12% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 32.42% of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Promoters				
Channel Plastics Private Limited	26,12,700	33.09%	26,12,700	24.32%
Rakesh Sethia	4,41,900	5.60%	4,41,900	4.11%
Mohan Lal Parakh	2,25,000	2.85%	2,25,000	2.09%
Hukum Chand Bothra	2,03,400	2.58%	2,03,400	1.89%
Total Promoters Shareholding	34,83,000	44.12%	34,83,000	32.42%

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the equity shareholding of our Promoters since the incorporation of our Company.

i) **M/s. Channel Plastics Private Limited**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value	Issue/ Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
16-06-2004	8,000	10.00	10.00	Cash	Transfer	0.10%	0.07%	No
27-03-2006	100	10.00	10.00	Cash	Further Allotment	0.00%	0.00%	No
19-09-2006	3,30,000	10.00	10.00	Cash	Further Allotment	4.18%	3.07%	No
10-03-2008	2,42,500	10.00	40.00	Cash	Further Allotment	3.07%	2.26%	No
08-07-2022	20,32,100	10.00	-	N.A.	Bonus	25.74%	18.91%	No
TOTAL	26,12,700					33.09%	24.32%	

ii) **Mr. Rakesh Sethia**

Date of Allotment/Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
18-11-2003	2,000	10.00	10.00	Cash	Subscription to MoA	0.03%	0.02%	No
10-03-2008	49,500	10.00	40.00	Cash	Further Allotment	0.63%	0.46%	No
25-01-2011	65,250	10.00	-	Cash	Transfer	0.83%	0.61%	No
12-09-2018	450	10.00	-	Cash	Transfer	0.01%	0.00%	No
10-03-2020	-19,000	10.00	-	Cash	Transfer	-0.24%	-0.18%	No
08-07-2022	3,43,700	10.00	-	N.A.	Bonus	4.35%	3.20%	No
TOTAL	4,41,900					5.60%	4.11%	

iii) **Mr. Mohan Lal Parakh**

Date of Allotment/Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
10-02-2014	30,000	10.00	82.00	Cash	Transfer	0.38%	0.28%	No
20-09-2017	20,000	10.00	115.00	Cash	Transfer	0.25%	0.19%	No
08-07-2022	1,75,000	10.00	-	N.A.	Bonus	2.22%	1.63%	No
TOTAL	2,25,000					2.85%	2.09%	

iv) **Mr. Hukum Chand Bothra**

Date of Allotment/Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
14-06-2006	17,200	10.00	10.00	Cash	Further Allotment	0.22%	0.16%	No
10-03-2008	15,700	10.00	40.00	Cash	Further Allotment	0.20%	0.15%	No
01-12-2013	-15,700	10.00	83.00	Cash	Transfer	-0.20%	-0.15%	No
04-05-2021	28,000	10.00	-	Nil	Transmission	0.35%	0.26%	No
08-07-2022	1,58,200	10.00	-	N.A.	Bonus	2.00%	1.47%	No
TOTAL	2,03,400					2.58%	1.89%	

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

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Channel Plastics Private Limited	26,12,700	5.01
2	Rakesh Sethia	4,41,900	4.34
3	Mohan Lal Parakh	2,25,000	21.16
4	Hukum Chand Bothra	2,03,400	3.65

Note: All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares and there are no partly paid-up Equity Shares as on the date of filing of this draft prospectus.

- (10) As on date of this draft prospectus, our Company has 25 (Twenty-Five) shareholders only.
- (11) The aggregate shareholding of the Promoters and Promoter Group and of the directors of the promoters, where the promoter is a body corporate:

Our Promoters include a Body corporate i.e., “*Channel Plastics Private Limited*”. The Aggregate shareholding of the Promoters & Promoter Group are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Promoters				
Channel Plastics Pvt Ltd	26,12,700	33.09%	26,12,700	24.32%
Rakesh Sethia ⁽¹⁾	4,41,900	5.60%	4,41,900	4.11%
Mohan Lal Parakh	2,25,000	2.85%	2,25,000	2.09%
Hukum Chand Bothra ⁽²⁾	2,03,400	2.58%	2,03,400	1.89%
Total Promoters Shareholding (A)	34,83,000	44.12%	34,83,000	32.42%
Promoter Group				
Samta Polymers Limited	9,44,550	11.96%	9,44,550	8.79%
Pragatisheel Commercial LLP	7,01,100	8.88%	7,01,100	6.52%
Usha Sethia	4,29,750	5.44%	4,29,750	4.00%
Agrani Finserv Advisors Pvt Ltd	3,69,000	4.67%	3,69,000	3.43%
Samta Plastics Pvt Ltd	3,23,100	4.09%	3,23,100	3.01%
Tara Chand Bothra	2,47,500	3.13%	2,47,500	2.30%
Khem Chand Bothra	1,93,500	2.45%	1,93,500	1.80%
Nilima Sethia	1,84,500	2.34%	1,84,500	1.72%
Samta Packaging Pvt Ltd	1,68,750	2.14%	1,68,750	1.57%
Hukum Chand Bothra-HUF	1,25,100	1.58%	1,25,100	1.16%
Sangeeta Bothra	1,17,000	1.48%	1,17,000	1.09%
Dimpal Bothra	1,14,750	1.45%	1,14,750	1.07%
Khem Chand Bothra (HUF)	94,950	1.20%	94,950	0.88%
Sarda Devi Parakh	90,000	1.14%	90,000	0.84%
Rakesh Sethia & Sons (HUF)	85,500	1.08%	85,500	0.80%
Rajesh Bothra	75,150	0.95%	75,150	0.70%
Preeti Bothra	59,400	0.75%	59,400	0.55%
Tara Chand Bothra (HUF)	51,075	0.65%	51,075	0.48%
Rajesh Bothra-HUF	20,700	0.26%	20,700	0.19%
Total Promoters Group Shareholding (B)	43,95,375	55.67%	43,95,375	40.91%
Total Promoters & Promoters Group (A+B)	78,78,375	99.79%	78,78,375	73.32%

⁽¹⁾ Our Promoter and Executive Director Mr. Rakesh Sethia also holds directorship in our Promoter Company “Channel Plastics Private Limited”.

⁽²⁾ Our Promoter and Managing Director Mr. Hukum Chand Bothra also holds directorship in our Promoter Company “Channel Plastics Private Limited”.

- There are no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity in the six months immediately preceding the date of filing of the offer document.

(12) **Promoter's Contribution:****(i) Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years**

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this draft prospectus, our Promoters collectively hold 34,83,000 Equity Shares constituting 32.42% of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 21,49,005 equity shares being 20% of the post Issue equity share capital of our Company are eligible for the Promoter's Contribution margin.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Minimum Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute minimum 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this draft prospectus until the completion of the lock-in period specified above.

The details of lock-in of shares for 3 (three) years are as under:

Sr. No.	Name of the Promoter Shareholder	Number of Shares held	Number of Shares held for lock-in	Post-IPO Share Locked in (In%)	Lock in Period
1	Channel Plastics Private Limited	26,12,700	19,45,605	18.11%	3 Years
2	Hukum Chand Bothra	2,03,400	2,03,400	1.89%	3 Years
Total		28,16,100	21,49,005	20.00%	

21,49,005 Pre-IPO equity shares of our company held by Our Promoter will be locked-in for 3 (three) years as mentioned above prior to listing of shares.

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
 - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
 - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.

Our Company was incorporated under the Companies Act, 1956 and was not incorporated by converting the partnership firm(s) or LLP(s).

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

(ii) Details of Equity Shares Locked-in for one (1) year

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for a period of one year from the date of Allotment in this Issue as provided in clause 238(b) of SEBI (ICDR) Regulations 2018.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

The details of lock-in of shares for 1 (one) year are as under:

<i>Name of Shareholders</i>	<i>Category</i>	<i>No of Shares Held</i>	<i>Lock-in for 3 Years</i>	<i>Lock-in for 1 Years</i>
Channel Plastics Private Limited	Promoter	26,12,700	19,45,605	6,67,095
Rakesh Sethia	Promoter	4,41,900	-	4,41,900
Mohan Lal Parakh	Promoter	2,25,000	-	2,25,000
Hukum Chand Bothra	Promoter	2,03,400	2,03,400	-
Samta Polymers Limited	Promoter Group	9,44,550	-	9,44,550
Pragatisheel Commercial LLP	Promoter Group	7,01,100	-	7,01,100
Usha Sethia	Promoter Group	4,29,750	-	4,29,750
Agrani Finserv Advisors Pvt Ltd	Promoter Group	3,69,000	-	3,69,000
Samta Plastics Pvt Ltd	Promoter Group	3,23,100	-	3,23,100
Tara Chand Bothra	Promoter Group	2,47,500	-	2,47,500
Khem Chand Bothra	Promoter Group	1,93,500	-	1,93,500
Nilima Sethia	Promoter Group	1,84,500	-	1,84,500
Samta Packaging Pvt Ltd	Promoter Group	1,68,750	-	1,68,750
Hukum Chand Bothra-HUF	Promoter Group	1,25,100	-	1,25,100
Sangeeta Bothra	Promoter Group	1,17,000	-	1,17,000
Dimpal Bothra	Promoter Group	1,14,750	-	1,14,750
Khem Chand Bothra (HUF)	Promoter Group	94,950	-	94,950
Sarda Devi Parakh	Promoter Group	90,000	-	90,000
Rakesh Sethia & Sons (HUF)	Promoter Group	85,500	-	85,500
Rajesh Bothra	Promoter Group	75,150	-	75,150
Preeti Bothra	Promoter Group	59,400	-	59,400
Tara Chand Bothra (HUF)	Promoter Group	51,075	-	51,075
Rajesh Bothra-HUF	Promoter Group	20,700	-	20,700
Subhash Chandra Kakar	Public	16,200	-	16,200
Kamal Kumar Sharma	Public	450	-	450
Total		78,95,025	21,49,005	57,46,020

(iii) Other requirements in respect of lock-in

➤ **Inscription or recording of non-transferability:**

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

➤ **Pledge of Locked-in Equity Shares**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- i. In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- ii. In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

➤ **Transfer of Locked-in Equity Shares**

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

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

(iv) **Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this draft prospectus:**

There is no other Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this draft prospectus except as mentioned in this chapter and draft prospectus.

- (13) Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.
- (14) The Equity Shares issued pursuant to this Issue shall be fully paid-up.
- (15) The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this draft prospectus.
- (16) There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of issuer, in the preceding three years (separately for each year) and on a cumulative basis for all options or equity shares issued prior to the date of the draft prospectus.
- (17) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this draft prospectus.

Other miscellaneous disclosures:

1. None of the Equity Shares of our Company are subject to any pledge as on the date of this draft prospectus.
2. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this draft prospectus.
3. Except as disclosed in the chapter titled **"Our Management"** beginning on page 115 of this draft prospectus, none of our directors or Key Managerial Personnel holds any Equity Shares in our Company.

4. None of our Promoters, Promoter Group, our directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the draft prospectus.
5. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the draft prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.
6. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
7. Our Company has not issued Equity Shares out of Revaluation Reserves.
8. Our Company shall comply with such disclosures and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
9. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this draft prospectus.
10. Our Company has not raised any bridge loan against the proceeds of this issue.
11. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this draft prospectus.
12. Our Company has not revalued its assets since incorporation.
13. 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, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
14. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
15. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations.
16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
18. There are no Equity Shares against which depository receipts have been issued.
19. Other than the Equity Shares, there is no other class of securities issued by our Company.
20. This issue is being made through Fixed Price method.
21. This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

- (a) Minimum 50% to the Retail individual investors; and
- (b) remaining to:
 - i. individual applicants other than retail individual investors; and
 - ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

Explanation: For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

22. *Our Promoters and members of our Promoter Group will not participate in the Issue.*

SECTION VII: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of **28,50,000** Equity Shares of our Company having face value of Rs. 10/- each at an Issue Price of **₹40/-** per Equity Share aggregating to **₹1,140.00** Lakhs. Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on Stock Exchange.

The Objects of the Issue are:

- A. To meet the working capital requirements
- B. To meet the Issue Expenses
- C. General Corporate Purposes

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

Requirement of Funds

The following table summarizes the requirement of funds:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	Working capital requirements	1,017.00	89.21%	1,017.00
B	Issue related expenses	48.00	4.21%	48.00
C	General corporate expenses	75.00	6.58%	75.00
	Total IPO Proceeds	1,140.00	100.00%	1,140.00
D	Less: Issue Related Expenses	48.00	4.21%	48.00
	Net Issue Proceeds	1,092.00	95.79%	1,092.00

The issue proceeds are estimated to be utilized in the FY 2022-23 itself.

Details breakup of the Use of the Proceeds**A. Working Capital Requirement and basis of estimation:**

We finance our working capital requirement from our internal accruals. Considering the existing and future growth, our Company proposes to meet the incremental requirement to the extent of Rs. 1017.00 Lakhs for the FY 2022-23 from the Net Proceeds of the Issue.

Our Company plans to increase the volume of operation by purchasing PP Fabrics from external suppliers to meet the growing demand. The purchased PP fabrics will be processed in our factory by cutting the fabrics into desired length, cut-pieces will be bottom stitched and hemmed to form a Leno Bag and then the Bags will be bailed on a hydraulic bailing machine, packed and branded with our Company's logo. *Please refer Stage-III & Stage-IV in Page No. 91 of chapter "Our Business" of Draft Prospectus.*

Also, our company shall purchase fabrics from our Group Company i.e. M/s. White Saffron Grains LLP which is setting up a fabric processing unit adjacent to our factory premises consisting of 50 Leno looms and tape line of 600 kg/hr. This will result in reduced cost of acquisition of PP fabrics.

In view of the above, there will be substantial increase in turnover resulting in higher profits and the consequential working capital requirement as detailed below:

(₹ in Lakhs)

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
	Restated Standalone			Projection
Cash & Bank Balance	27.91	11.74	168.81	123.10
Current Investment	1,016.90	639.57	877.25	1,000.00
Sundry Debtors	8.53	74.01	54.84	297.78
Inventory	456.88	733.65	538.18	1,191.14
Short Term Loans and Advances	5.82	8.41	6.39	200.00
Other Current Assets	100.31	154.21	219.16	350.00
Total Current Assets	1,616.35	1,621.59	1,864.63	3,162.02
Sundry Creditors	66.13	39.31	15.74	33.35
Other Current Liabilities	127.87	210.83	286.36	305.00
Total Current Liabilities	194.00	250.14	302.10	338.35
Working Capital Gap	1,422.35	1,371.45	1,562.53	2,823.67
Source of Working Capital				
Proceeds from IPO	-	-	-	1,017.00
Short Term Borrowings	-	20.29	-	-
Internal Accrual	1,422.35	1,351.16	1,562.53	1,806.67
Total	1,422.35	1,371.45	1,562.53	2,823.67

Assumption on working capital requirement:

We have estimated our working capital requirement based on the following holding periods which are as per industry standard:

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
Sundry Debtors Holding period (Months)	0.03	0.30	0.14	0.50
Inventory Holding Period (Months)	1.74	2.99	1.39	2.00
Sundry Creditor Holding Period (Months)	0.34	0.22	0.06	0.08

Justification for Holding Period:

Particulars	Details
Sundry Debtors Holding period	In Fiscal 2020, 2021 and 2022 our average Debtor holding period was 0.03 months, 0.30 month and 0.14 month respectively. We are estimating to maintain the Debtor holding period at levels of 0.50 months for Fiscal 2023 as per our projected financials and market condition.
Inventory Holding Period	In Fiscal 2020, 2021 and 2022 our average Inventory holding period was 1.74 months, 2.99 month and 1.39 month respectively. We are estimating to maintain the Inventory holding period at levels of 2.00 months for Fiscal 2023 as per our projected financials and market condition.
Sundry Creditor Holding Period	In Fiscal 2020, 2021 and 2022 our average Creditor holding period was 0.34 month, 0.22 months and 0.06 month respectively. However, going forward we are estimating to maintain the Creditor holding period at levels of 0.08 months for Fiscal 2023.

B. General Corporate Purpose:

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company through this issue, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., ₹ 75.00 Lakhs, which is 6.58% of the amount being raised by our company through this issue, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) Strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

C. Issue Related Expense:

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Estimated Expenses (Rs. In Lakhs)	% of Total Issue Expenses	% of the Total Issue Size
Lead Manager Fees including other intermediaries Fees	25.00	52.08%	2.19%
Regulators Including Stock Exchanges	15.00	31.25%	1.32%
Advertising and Marketing Expenses	5.00	10.42%	0.44%
Printing and distribution of Issue Stationary	3.00	6.25%	0.26%
Total	48.00	100.00%	4.21%

Note:

- **ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them.

The SCSBs would be entitled to processing fees of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.

- **SYNDICATE ASBA:** Other intermediaries will be entitled to procurement fees of ₹10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.
- **Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) per valid application form made by the Retail Individual Bidders using the UPI mechanism for processing.
- The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

Means of Finance:

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirements under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9(C) of Part A of Schedule VI of the SEBI (ICDR) Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.

Appraisal by Appraising Fund:

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on 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 draft prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Interim Use of Proceeds

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

Monitoring Utilization of Funds

As the Issue size is less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 draft 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 will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations

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

BASIS FOR ISSUE PRICE

The Issue Price of ₹40/- per Equity Share has been determined by our Company, in consultation with the Lead Manager and justified by our Company, on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹10/- and Issue Price is ₹40/- which is 4.0 times of the face value. Investors should also refer “*Our Business*”, “*Risk Factors*” and “*Financial Statements as Restated*” beginning on page no. 88, 20 and 140 respectively, of this draft prospectus, to have an informed view before making an investment decision.

QUALITATIVE FACTORS:

Some of the qualitative factors, which form the basis for computing the price, are –

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers
- Quality Assurance & Control

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, “*Our Business*”, beginning on page no. 88 of this draft prospectus.

QUANTITATIVE FACTORS:

The information presented in this section is derived from our Company’s restated financial statements for the financial year ended on 31st March 2022, 31st March 2021 and 31st March 2020 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “*Financial Statements as Restated*” beginning on page no 140 of this draft prospectus. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic & Diluted Earnings per share (EPS) as adjusted for changes in capital for last 3 years:

Earnings Per Share as per the Company’s Restated Financial Information

Particulars	Basic & Diluted EPS (Rs.)	Weight
	As per Restated	
Year ended March 31, 2020	12.53	1
Year ended March 31, 2021	7.35	2
Year ended March 31, 2022	15.16	3
Weighted Average	12.12	
Year ended March 31, 2022 (after giving retrospective effect of bonus shares)[#]	3.37	

a. **Basic & Diluted EPS:** EPS has been calculated as PAT/Weighted average no. of shares outstanding for particular period/year in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share' issued by ICAI.

b. **Weighted average:** Aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]

On 08/07/2022 Company has allotted 61,40,575 Equity Shares as Bonus Share in the ratio of 7:2 i.e. Seven Bonus equity shares are allotted for every two equity shares. Post Bonus allotment, the pre-issue paid-up capital increased to ₹ 789.50 Lakhs from ₹175.44 Lakhs and the total no. of equity shares has been increased to 78,95,025 from 17,54,450. The EPS has been shown separately giving retrospective effect of Bonus allotment. (For further details, please refer chapter “*Capital Structure*” and “*Financial statement as Restated*” beginning from page no. 45 and 140 respectively of this draft prospectus.)

2. Price to Earning (P/E) Ratio in relation to the Issue Price of ₹40/- per equity share of face value of Rs. 10/- each

Particulars	P/E Ratio
	As per Restated
P/E ratio based on the Basic & Diluted EPS as on March 31, 2022	2.64
P/E ratio based on Weighted Average EPS of ₹12.12 per share	3.30
P/E ratio based on the Basic & Diluted EPS (after giving retrospective effect of bonus shares)	11.87

3. Average Return on Net Worth (RoNW) for last 3 years as per the Company's Restated Financial Information

Particulars	RONW in %	Weight
Year ended March 31, 2020	8.11	1
Year ended March 31, 2021	4.54	2
Year ended March 31, 2022	8.56	3
Weighted Average	7.15	

Weighted average: Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. [(Return on Net Worth x Weight) for each year] / [Total of weights]

Note: Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

4. Net Assets Value:

Particulars	Amount
Net Asset Value per Equity Share as of March 31, 2022 (as per restated)	176.99
Net Asset Value per Equity Share as of March 31, 2022 (after giving retrospective effect of bonus shares)	39.33
Net Asset Value per Equity Share after the Issue	39.51
Issue Price per equity share	40.00

Note: Net Asset Value per equity share represents "total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equities shares outstanding as at the end of year/period."

5. Comparison with other listed companies/Industry peers:

We believe that none of the listed companies in India offer products or services across the various business segments in which we operate. Hence a strict comparison is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of ₹40/- per equity share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the "Risk Factors" beginning on page no 20 of this draft prospectus and Financials of the company as set out in the "Financial Statements as Restated" beginning on page no 140 of this draft prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is 4.0 times of the face value i.e., ₹40/- per share.

STATEMENT OF POSSIBLE TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Mega Flex Plastics Ltd
4, Ho Chi Minh Sarani,
Kolkata-700071

Dear Sirs,

Sub: Statement of possible Special tax benefit ('the Statement') available to Mega Flex Plastics Limited and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')

We hereby confirm that the enclosed annexure, prepared by Mega Flex Plastics Limited ('the Company') states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

- the Company or its Shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Company for 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 of intentional misconduct.

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Prospectus/Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Signed in terms of our separate report of even date.

For S. Jaykishan.

Chartered Accountants

Firm Reg. No:309005E

Sd/-

(CA B.K. Khaitan)

Partner

Membership No: 052469

Place: Kolkata

UDIN No: 22052469ANJELI4063

Date: 20.07.2022

Annexure to the statement of possible Tax Benefits

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced 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 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.

1. Special Tax Benefits available to the Company under the Act:

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

2. Special Tax Benefits available to the shareholders of the Company

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Notes:

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

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

Signed in terms of our separate report of even date.

For S. Jaykishan.

Chartered Accountants

Firm Reg. No: 309005E

Sd/-

(CA B.K. Khaitan)

Partner

Membership No: 052469

Place: Kolkata

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SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY

INDUSTRY OVERVIEW

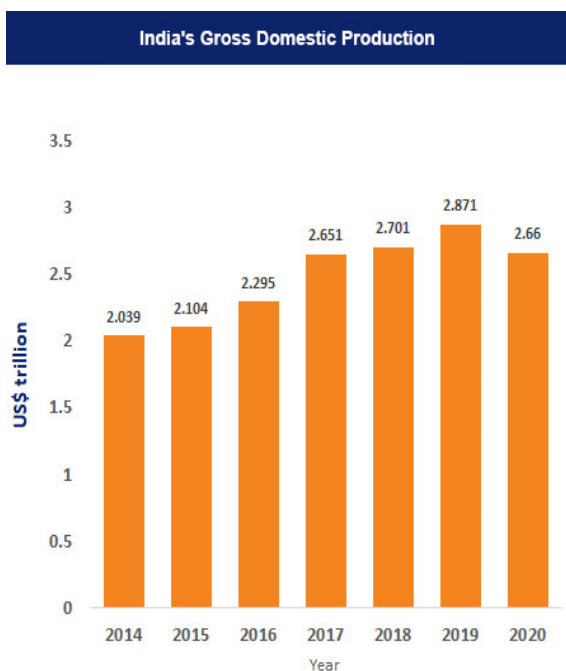
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INDIAN ECONOMY

INTRODUCTION

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.

MARKET SIZE



- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY2021-22.
- India is the third-largest unicorn base in the world with over 83 unicorns collectively valued at US\$ 277.77 billion, as per the Economic Survey. By 2025, India is expected to have 100 unicorns, which will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 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 data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.

RECENT DEVELOPMENTS

Recent economic developments in India are as follows:

- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 6.8 billion across 102 deals in November 2021 42% higher than November 2020. Some of the important recent developments in the Indian economy are as follows:
- India's merchandise exports between April 2021 and December 2021 were estimated at US\$ 299.74 billion (a 48.85% YoY increase). In December 2021, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 56.4.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 1.38 trillion (US\$ 18.42 billion) in January 2022. This was a 15% rise over a year ago.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 547.2 billion between April 2000 and June 2021.
- India's Index of Industrial Production (IIP) for November 2021 stood at 128.5 against 126.7 for November 2020.
- Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21.
- Foreign portfolio investors (FPIs) invested Rs.50,009 crore (US\$ 6.68 billion) in the Calendar year 2021.
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- 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

Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.

Mr. Piyush Goyal said that India will achieve exports worth US\$ 650 billion in the financial year 2021-22.

India's electronic exports are expected to reach US\$ 300 billion by 2025-26 this will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus at 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates of July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

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

Plastic Industry in India

Introduction

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90% of which are small and medium-sized enterprises.

- In FY20, plastic and linoleum export from India stood at US\$ 7.55 billion.
- During April 2019 to January 2020, plastic export stood at US\$ 7.045 billion with the highest contribution from plastic raw material at US\$ 2.91 billion, plastic sheets, films, and plates at US\$ 1.22 billion and packaging materials at US\$ 722.47 million.
- India exported plastics raw materials worth US\$ 813 million in October 2020, and the export during April 2020 to October 2020 was US\$ 5.58 billion.
- India exported plastics worth US\$ 237.16 million in January 2021, and the export during April 2020 to January 2021 was US\$ 2.76 billion.
- The total plastic and linoleum export during April 2020 to February 2021 was US\$ 6.73 billion and for the month of February 2021, it was US\$ 630.94 million.
- The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.
- The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

Recent Developments

The Department of Chemicals and Petrochemicals has approved 10 Plastic Parks in the country, out of which 6 parks have been given final approval in the below states:

- Assam (1 nos.)
- Madhya Pradesh (2 nos.)
- Odisha (1 nos.)
- Tamil Nadu (1 nos.)
- Jharkhand (1 nos.)

The Detailed Project Reports are under evaluation for two Plastic Park in Uttarakhand and Chhattisgarh respectively and proposal for setting up of two new Plastic Parks are under process.

These Plastic Parks will help to achieve environmentally sustainable growth and increase employment.

Plastics Export Promotion Council

The Plastics Export Promotion Council (PLEXCONCIL) is the apex Government body responsible for the promotion of plastic export. PLEXCONCIL members comprise large-/medium-/small-scale manufacturers and exporters. The council supports exporters by participating in international trade fairs, exploring new markets, organising buyer- seller meets both in India and overseas, and engaging in various other promotion and need- based activities.

Source: Directorate General of Commercial Intelligence and Statistics

Press Information Bureau

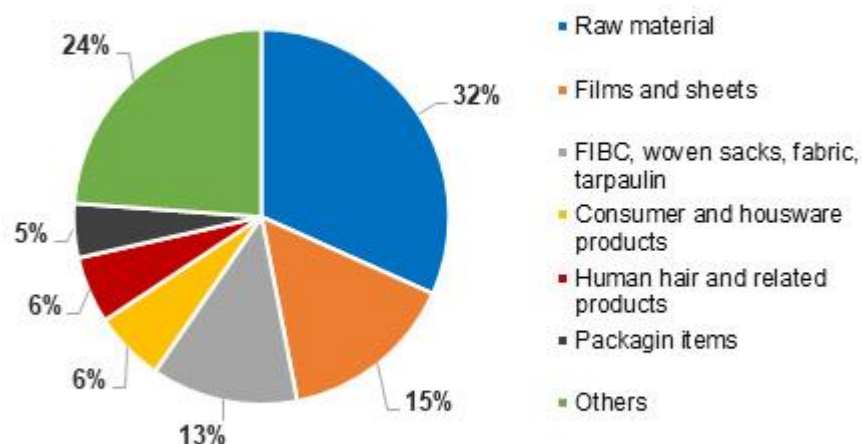
EXPORTS

INTRODUCTION

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

Ten Plastic Parks have been approved in the country by The Department of Chemicals and Petrochemicals. Among these, 6 plastic parks have received final approval from the following states – Madhya Pradesh (2 parks), Assam (1 park), Tamil Nadu (1 park), Odisha (1 park) and Jharkhand (1 park). These parks are intended to boost employment and attain environmentally sustainable growth.

India's product-wise share of plastics exports (2021-22)



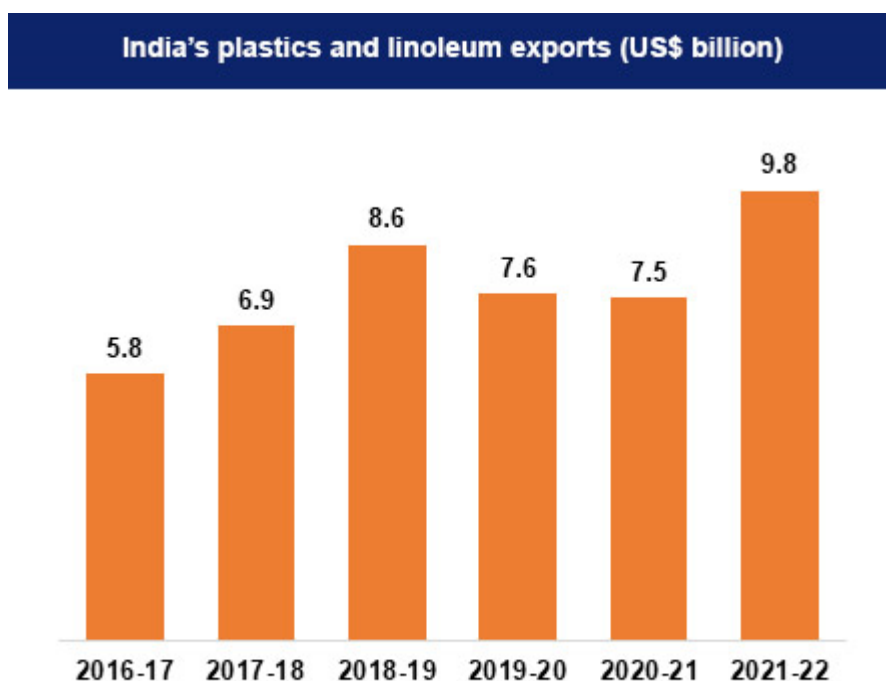
Source: The Plastics Export Promotion Council of India (PLEXCONCIL)

EXPORT TREND

During 2021-22, India witnessed a huge growth in exports in terms of value over 2020-21. Overall, the total plastics exports in 2021-22 recorded a sharp growth and increased by 35.4% over the last year. The exports of human hair, pipes & fittings and FRP & composites in 2021-22 increased by 100%, 67% and 48% over 2020-21, respectively.

The cumulative exports of plastics and related materials during 2021-22 were valued at US\$ 13.34 billion. This was a 33.4% increase from the 2019-20 exports valued at US\$ 10 billion. Plastic raw materials were the largest exported category and constituted 30.7% of the total exports in 2021-22; it recorded a growth of 26.5% over the previous year. Plastic films and sheets were the second largest category, comprising 15.2% of the total exports, and grew 32.7% over the previous year.

In May 2022, the exports of plastics and linoleum from India were valued at US\$ 1,073 million. During the same period, medical items of plastics; plastic films & sheets; plastic pipes & fittings; FRP & composites; packaging items; cordage fishnets & monofilaments; and miscellaneous products recorded strong growth. The cumulative exports for April and May 2022 grew 2.6% yoy to US\$ 2,173 million.



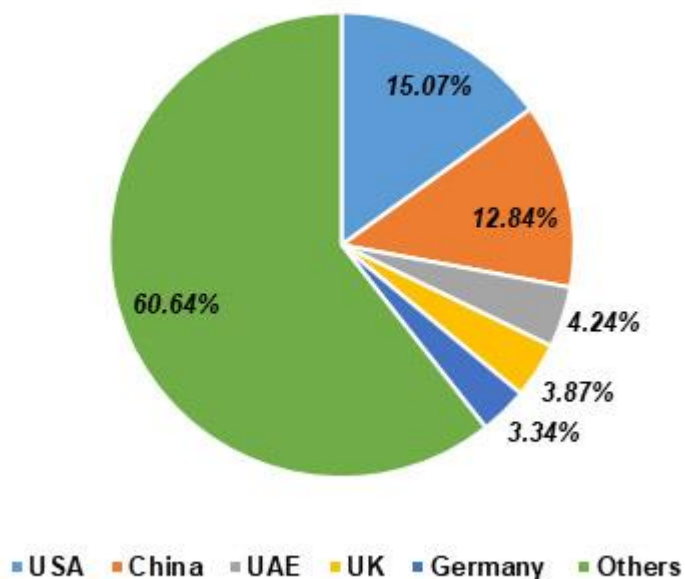
Source: DGCI&S

EXPORT DESTINATIONS

India exports plastic to more than 200 countries in the world. The top 5 consumer and houseware product importing countries are USA, Germany Japan, the UK and France. India largely exports plastic and related products to USA, China, UAE, Germany, Italy, the UK, Bangladesh, Nepal, Turkey, France, Viet Nam, Indonesia, etc. The total value of exports to USA, the largest consumer of the Indian plastic industry, stood at US\$ 1,485.8 million in 2020-21, an increase of 8.2% yoy. China is the second largest consumer of plastic export products from India and the total value of exports stood at US\$ 1,266.08 million, an increase of 20.9% yoy. USA and China constituted 15.0%, and 12.8%, of the total plastic exports in 2020-21.

The total plastic exports from India to France during 2020-21 was around US\$ 162 million. In order to boost exports to France and Europe, the PLEXCONCIL collaborated with Indo-French Chamber in the first quarter of 2021-22. The Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal, recently urged the industry to adopt international standards to help it expand its global footprint. India has recently signed a free-trade agreement with UAE and Australia, which will give the plastics industry new opportunities.

Country wise share in exports of plastic products during 2021



Source: Plexconcil

GOVERNMENT INITIATIVES

The Ministry of Commerce & Industry of India aims to increase the plastic exports of the country to US\$ 25 billion by 2025. Multiple plastic parks are being set up in the country in a phased manner that will help improve the plastic manufacturing outputs of the country. Under the plastic park schemes, funds of up to 50% of the project costs or a ceiling cost of Rs. 40 crore (US\$ 5 million) per project.

Government initiatives like “Digital India”, “Make in India”, and “Skill India” will also boost India’s Plastic industry. For instance, under the “Digital India” program, the government aims to reduce the import dependence of products from other countries, which will lift the local plastic part manufacturers.

The government also launched a program for building Centres of Excellence (CoEs) to develop the existing petrochemical technology and promote the research environment pertaining to the sector in the country. This will aid in promoting and developing new applications of polymers and plastics in the country. Additionally, about 23 Central Institute of Plastics Engineering & Technology (CIPET) have been approved to accelerate financial and technological collaboration for promoting skills in chemicals and petrochemicals sector.

Source: www.ibef.org

REVIEW OF EXPORT PERFORMANCE

The export analysis shown in Table 1 indicates that growth in 2020-21 was negative at 1.50% implying exports of 9.86 billion US Dollars. Plastic raw materials – the largest category – constituted 33.95% of total plastics export and recorded a negative growth of 3.12% in 2020-21. Export of value-added items registered a negative growth of 2.57% on account of the pandemic situation and lockdown. Value-added items formed 62.16% of total plastics export in 2020-21.

Table1: Composition of Plastics Export

PRODUCT GROUP	2019-20			2020-21		
	USD Million	Growth %	% of Total	USD Million	Growth %	% of Total
GRAND TOTAL	10,011.11	-9.15	100.00	9,860.99	-1.50	100.00
RAW MATERIALS	3,456.00	-23.71	34.52	3,348.07	-3.12	33.95
PLASTIC SHEETS, FILMS, PLATES ETC	1,320.68	-4.31	13.19	1,407.74	6.59	14.28
WOVEN SACKS/FIBC	1,057.07	7.80	10.56	884.65	-16.31	8.97
PACKAGING ITEMS	773.25	0.46	7.72	781.04	1.01	7.92
OTHER MOULDED & EXTRUDED ITEMS	694.84	8.30	6.94	658.71	-5.20	6.68
ALL TYPES OF OPTICAL ITEMS	429.96	-9.24	4.29	411.66	-4.26	4.17
HUMAN HAIR	263.87	4.10	2.64	383.62	45.38	3.89
LEATHER CLOTH	162.01	21.43	1.62	235.73	45.50	2.39
MEDICAL DISPOSABLES	210.55	13.40	2.10	215.76	2.47	2.19
LAMINATES	208.28	-2.40	2.08	213.47	2.49	2.16
HOUSEWARE	201.70	5.06	2.01	204.09	1.19	2.07
PIPES, TUBES, HOSES ETC	183.00	-6.29	1.83	188.69	3.11	1.91
OTHER PLASTIC ITEMS	156.72	25.40	1.57	156.82	0.06	1.59
WRITING INSTRUMENTS	206.28	-2.93	2.06	148.61	-27.96	1.51
SELF ADHESIVE SHEETS/FILMS	107.29	2.10	1.07	122.33	14.02	1.24
ROPES, TWINES, CORDAGE	99.24	4.22	0.99	99.38	0.15	1.01
STOPPER, CLOSURES	79.56	7.46	0.79	82.74	3.99	0.84
BRUSHES (ALL KINDS)	96.09	7.50	0.96	78.61	-18.19	0.80
NETS (INCLUDING FISHNETS)	72.66	-0.00	0.73	75.97	4.56	0.77
FLOOR COVERINGS	65.92	-2.43	0.66	44.78	-32.06	0.45
ELECTRICAL ITEMS	37.07	-5.78	0.37	42.14	13.66	0.43
MONOFILAMENTS	39.15	-28.94	0.39	35.47	-9.40	0.36
STATIONERY/OFFICE SCHOOL	23.33	-33.47	0.23	17.51	-24.94	0.18
TRAVELWARE	61.32	-34.70	0.61	16.42	-73.22	0.17
PHOTO FILMS	2.96	17.40	0.03	4.01	35.22	0.04
TARPAULINS	2.33	-26.99	0.02	2.99	28.72	0.03
VALUE ADDED ITEMS	6,291.24	0.88	62.84	6,129.30	-2.57	62.16

The direction of plastics export, as shown in Table 2(a) and 2 (b), indicates that plastics export during 2020-21 was a mixed bag with positive growth coming in from United States, China, United Kingdom, Nepal, and Nigeria among others, and decline in exports to UAE, Germany, Italy, Bangladesh and Turkey etc. Region-wise, Europe was the most important region, followed by NAFTA and N E ASIA.

Table 2 (a): Direction of Plastics Export

COUNTRY	2019-20			2020-21		
	USD Million	Growth %	% of Total	USD Million	Growth %	% of Total
GRAND TOTAL	10,011.11	-9.15	100.00	9,860.99	-1.50	100.00
UNITED STATES	1,372.93	4.48	13.71	1,485.83	8.22	15.07
CHINA	1,047.09	-18.30	10.46	1,266.08	20.91	12.84
UNITED ARAB EMIRATES	506.66	-12.53	5.06	417.70	-17.56	4.24
UNITED KINGDOM	353.66	-4.61	3.53	381.94	8.00	3.87
GERMANY	350.23	-13.99	3.50	329.58	-5.89	3.34
NEPAL	273.58	4.46	2.73	282.37	3.21	2.86
ITALY	319.66	-29.11	3.19	265.87	-16.83	2.70
BANGLADESH	289.43	-10.43	2.89	265.73	-8.19	2.69
TURKEY	223.02	-21.86	2.23	220.78	-1.01	2.24
NIGERIA	140.55	-4.62	1.40	204.77	45.69	2.08
NETHERLANDS	194.51	6.10	1.94	184.46	-5.17	1.87
VIETNAM	155.21	-23.26	1.55	179.39	15.58	1.82
SPAIN	170.02	-13.86	1.70	172.63	1.53	1.75
CANADA	157.75	6.01	1.58	172.21	9.17	1.75
FRANCE	188.60	-19.09	1.88	162.37	-13.91	1.65
SAUDI ARABIA	150.01	16.63	1.50	144.86	-3.43	1.47
BELGIUM	142.14	-24.77	1.42	136.68	-3.84	1.39
ISRAEL	129.53	-12.80	1.29	127.28	-1.73	1.29
SINGAPORE	116.49	59.99	1.16	124.18	6.60	1.26
SOUTH AFRICA	137.51	-3.72	1.37	120.35	-12.48	1.22
OTHERS	3,592.53	-9.09	35.89	3,215.92	-10.48	32.61

Table 2 (b) : Direction of Plastics Export

2019-20			2020-21		
REGION	USD Million	% of Total	REGION	USD Million	% of Total
GRAND TOTAL	10,011.11	100.00	GRAND TOTAL	9,860.99	100.00
AFRICA	953.28	9.52	AFRICA	979.40	9.93
ASEAN	646.11	6.45	ASEAN	627.40	6.36
CIS	122.63	1.22	CIS	118.98	1.21
EUROPE	2,362.80	23.60	EUROPE	2,309.00	23.42
LAC	442.05	4.42	LAC	460.08	4.67
NAFTA	1,650.61	16.49	NAFTA	1,769.38	17.94
NE ASIA	1,280.24	12.79	N E ASIA	1,446.34	14.67
OCEANIA	116.40	1.16	OCEANIA	129.75	1.32
OTHERS	102.90	1.03	OTHERS	54.23	0.55
SOUTH ASIA	960.48	9.59	SOUTH ASIA	727.45	7.38
WANA	1,373.60	13.72	WANA	1,238.98	12.56

INDIAN PACKAGING INDUSTRY

The India Packaging Market was valued at USD 50.5 billion in 2019, and it is expected to reach USD 204.81 billion by 2025, registering a CAGR of 26.7% during the period of 2020-2025. Packaging is among the high growth industries in India and developing @ 22-25% per annum and becoming a preferred hub for packaging industry. Currently the 5th largest sector of India's economy, the industry has reported steady growth over past several years and shows high potential for much expansion, particularly in the export market. Costs of processing and packaging food can be up to 40% lower than parts of Europe which, combined with India's resources of skilled labour, make it an attractive venue for investment. A high degree of potential exists for almost all user segments which are expanding appreciably - processed foods, hard and soft drinks, fruit and marine products.

The Indian packaging industry has made a mark with its exports that comprise flattened cans, printed sheets and components, crown cork, lug caps, plastic film laminates, craft paper, paper board and packaging machinery, while the imports include tinplate, coating and lining compounds and others. In India, the fastest growing packaging segments are laminates and flexible packaging, especially PET and woven sacks. Over the last few years Packaging Industry is an important sector driving technology and innovation growth in the country and adding value to the various manufacturing sectors including agriculture and FMCG segments.

The global packaging industry is developing and expanding day by day and Indian packaging industry is also growing rapidly. This growth is primarily driven by factors like growing pharmaceutical, food processing, manufacturing industry, FMCG, healthcare sector and ancillary in the emerging economies like China, India, Brazil, Russia and few other East European countries.

TRENDS

With advancement in technology and general awareness, the packaging sector in India is well poised as most of the raw materials for packaging are abundantly available in the country. Moreover, the per capita spending has increased tremendously, leading to changing rural markets and a growing middle class who demand the best of products. Various upgraded technologies are being used in industry such as aseptic packaging, retort packaging and biodegradable packaging to enhance the life of food product. Moreover, the plastic packaging market is expanding rapidly registering a growth of 20-25 per cent per annum and is valued at 6.8 million tons while the paper packaging industry stands at 7.6 million tons. The packaging industry is poised to grow rapidly led by the increasing use of innovative packaging equipment and the rising flexible packaging market.

In terms of packaging, the food packaging industry is one growth area that has seen the maximum number of innovations in terms of packaging and branding. Consumers want their food products to be hygienic, safe and at the same time to look attractive. When it comes to food packaging, MNCs have a very good ecosystem. They have a dedicated R&D house, which conducts various research-based experiments using the latest technologies, and are always innovating to ensure that the consumer is benefited. This

development has led to healthy competition between our local manufacturers to deliver innovative products, and as a result, the entire ecosystem is gearing up for the change. Likewise, local manufacturers are now importing state-of-the-art machinery to ensure that the packaging is of the highest standards. If trends are anything to go by – seeing is believing! Consumers who have attended any packaging event of late would be able to identify with the above scenario. Packaging machines for labeling, bar coding and scanning, to metal and plastic packaging – every contraption is now available to local manufacturers.

However, at this stage, the industry is eagerly looking forward to the government machinery, which they hope will support them by implementing effective policies that will help them to compete on the international arena. This is where PIAI will play an active role in resolving the issues faced by the packaging industry.

CURRENT TRENDS

- Growth in consumer packaged goods
- Growth of organized retail
- Increasing use of Flexible Packaging
- Growth in the usage of Metal Packaging
- Usage of glass packaging for Beverages
- Increasing usage of Tetra packs for dairy and juice products
- Coding and marking
- Aseptic Packaging
- Usage of recyclable packaging material
- Vacuum Packaging
- Modified Atmosphere Packaging
- Aerosol packaging
- Skin Packaging
- Shrink and Stretch Packaging
- Temper evident Packaging

CHALLENGES

- Rapid changes in technology
- Shortage and Rising cost of raw material
- Costly Skilled Manpower
- Rising input costs
- Highly inadequate credit flow
- Lack of Market Access & Advanced technology
- Lack of exposure to Best Management and Manufacturing Practices
- Lack of 100% commitment to the quality standards
- Lack of Marketing, Distribution and Branding
- Non-availability of skilled man-power

Source: www.piai.org

Indian Packaging Industry riding on the e-commerce wave

Packaging plays a pivotal role in consumers' experience with respect to the brand and the overall purchasing experience. There are four major functions of packaging—containment, protection, communication and utility—that are intended to maximise sales and profits while reducing losses and wastage; and all of them are critical for enhancing consumer experience. In a traditional brick-and-mortar commerce, packaging was used to create distinction and increase shelf presence through attractive and easy-to-spot colors, shapes and graphics. When damage is occurred in a brick-and-mortar store, it was easy for the consumer to keep the damaged product aside and pick an undamaged one placed right next to it. Loss of product was not necessarily compounded by the loss of sales or customer. In an e-commerce world, however, the effects of a damaged product are very different. A consumer makes a purchasing decision at the click of a button and to contend with a damaged product, after delivery wait time, can lead to a conclusive decision against the online retailer. As per eMarketer, 83% consumers are unlikely to purchase from an online retailer again after a poor experience.

Having realised the impact of their packaging decisions, companies are investing to enhance e-commerce packaging to meet consumer expectations and positively impact their perceptions and purchasing decisions.

Rise of the Indian e-commerce sector

India has been witnessing a surge in its e-commerce sector over the last 5-6 years. The Indian e-commerce market is projected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion in 2017. This growth is likely to be propelled by an increase in internet and smartphone penetration and the ongoing digital transformation in the country. After India locked down in March this year, the e-commerce segment witnessed a momentary decline for a few weeks; however, re-opening of markets led to recovery and subsequently, an upsurge. Marketplaces as well as direct brand websites witnessed an overall 130% spike in online orders.

Since June, the sector has recorded massive sales events such as Myntra's End of Reason Sale, Flipkart's Independence Day Sale and Amazon's Prime Day Sales, boosting order volumes. In fact, recently, Walmart declared (in its latest earnings report) that Flipkart's GMV (Gross Merchandising Volume) has exceeded the pre-COVID 19 levels.

Another driving factor for this surge in e-commerce transactions is the emergence of first-time shoppers and the digital-first approach. Social distancing has led to significant growth of first-time online shoppers. While India's top 5 metropolitan cities continue to dominate the e-commerce sector, Tier II and III cities have also joined the race with a rising share of online shoppers. Amazon and Flipkart have gone a step further in supporting this growth in smaller cities by offering their platform content in local languages.

Surge in e-commerce to continue post pandemic

The post-lockdown numbers indicate a systemic shift in consumer purchasing preferences from offline to online. Customers are increasingly getting used to the comforts of online shopping.

Local retail outlets (Kirana shops) are also digitising and starting to deliver online to keep up with changing customer preferences and not lose business to large marketplaces such as Amazon and Flipkart. This is largely adding to the convenience of customers—in having everything delivered to their doorstep and saving time.

In a post-pandemic scenario, whether consumers go back to their old ways of purchasing or will the comfort, ease and discounts of online shopping continue to lure them remains a question. Nonetheless, it can be assumed that not all consumers will switch back to in-store shopping and continue buying online in the near future.

Another point to note is the change towards hygienic living—sanitisation, personal hygiene, social distancing or using healthy products—as this is expected to have a lasting impact on consumers even after the pandemic.

Source: www.ibef.org

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page 20 of this Draft Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “Risk Factors” and the chapters titled “Restated Financial Statements” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 20, 140 and 169 respectively of this Draft Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to “Mega Flex Plastics Limited”.

OVERVIEW

Our Company was incorporated and founded by visionary Late Sri Anup Chand Sethia and his son Mr. Rakesh Sethia in the year 2003 having flexible packaging solution in mind and the search for right product and right location. In the year 2006, our Company was allotted 2.095 acres land in Sudha Ras Food & Poly Park promoted and developed by West Bengal Industrial Development Corporation Limited (WBIDC), Government of West Bengal which is a landmark industrial park of WBIDC Limited.

Mega Flex Plastics Limited is primarily engaged in manufacturing of Leno Bags which is used for packaging of agricultural produces like potatoes, onions, garlic, coconuts, fruits and vegetables. In addition to Leno Bags, our company is also manufacturing Woven Fabric and Sutli (Fibrillated Twisted Thread). The product which we majorly manufacture i.e., Leno Bags is made from Plastic Granules and is used multiple times for storage of fruits and vegetables. The said product is widely used in Cold Storages and warehouses for storage of various products.

Our state-of-the-art plant for manufacturing PP Leno Bags is situated at Sudha Ras Food & Poly Park (Industrial Park), Howrah in the state of West Bengal, India. The plant is strategically located on NH-6, about 120 km from international all-weather port of Haldia and around 30 kms from Kolkata port, which gives it excellent connectivity and transport facilities.

We started with state of art manufacturing facility with production capacity of 23.08 million Bags per year by installing 27 Leno looms in the year 2007. We gradually increased our production capacity by adding looms to our factory and till date, our factory has 60 looms with a production capacity of 51.30 million Bags per year. The core machinery comprising of an Extrusion Tape Line (melt capacity of 450 kg/hr) and 60 Leno Looms. The efficient and motivated workforce and with thrust on maintaining machine efficiency, we were able to achieve optimum level of production year after year. Strict production supervision and special focus on quality control ensured that only quality Leno bags products reached to the customers. Our bags are trusted upon by the customers. Our brands include *Lenoflex*, *Kisan*, *Kisan Regular*, *Goldflex*, *Goldflex Lite*, *Tiger*, *Tiranga*, *Hena*. The Lenoflex is most preferred brand for storage of potato when the farmer looks for the quality. We also export Leno Bags to European countries and our quality is well accepted there also. We are also capable to produce Sutli (fibrillated Twisted Thread) as per the demand.

When we started our production, usage of Leno Bags was in its nascent stage and farmers were hardly aware of this highly convenient and economic form of packaging. Vegetables were mainly packed in jute bags. Jute bags was not an efficient mode of packaging due to its high cost, voluminous in size, wastage of packed produce because of high water absorption resulting in huge loss during storage and transportation. With technical and marketing support of some big polymer manufacturers, we reached out to farmers at grass root level in villages of West Bengal and popularized use of Leno Bags. This revolutionized the way vegetables were packed and proved to be a boon for the farmers.

We became an integrated fruits and vegetable packaging solutions provider offering Leno Bags, which are used for packing of fruits & vegetables, Technical Textile Fabric and Sutli (Fibrillated Twisted Thread). We are part of a group whose other business interests include manufacturing of rigid plastic packaging products i.e. Plastic Container for Paints, Lubricants, Greases etc.; paper packaging products i.e. Corrugated Boxes & Mono Boxes; and logistics & warehousing etc.

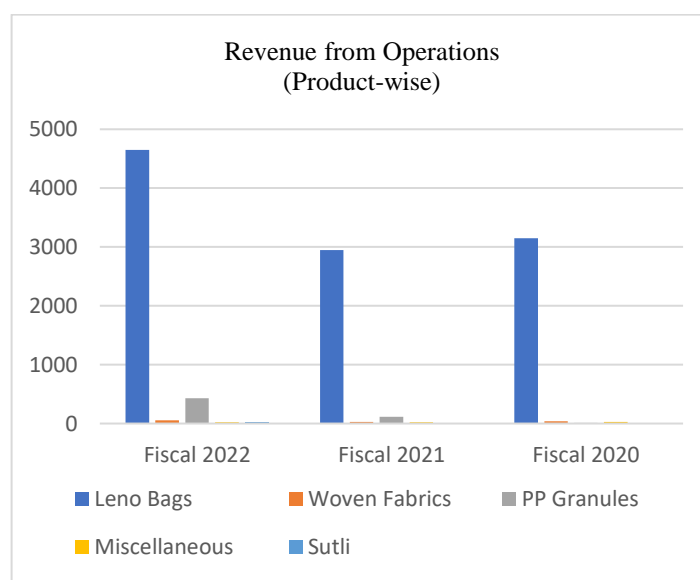
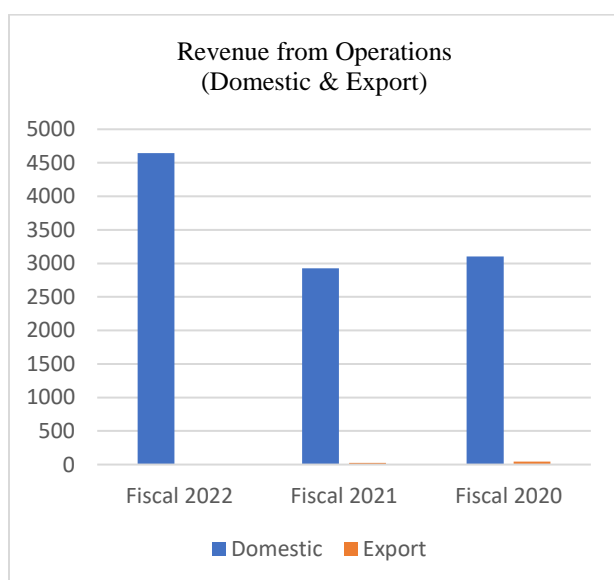
Our Company's Leadership team consists of our promoters who have several decades of experience in the field of packaging solutions. This has made our company a highly acclaimed and trusted enterprise with a focus on innovation and sustained growth. We are having a professional management team to execute our projects having vast techno-commercial knowledge and experience in the field of plastic packaging.

We have all the required facilities in house, which includes captive power generation unit, UPS, water treatment plant etc. We have well equipped laboratory to ensure quality check at all levels of production. We have our own fleet of vehicles to ensure timely delivery even to remote places.

Our Company Operates in the following segments:

1. Manufacturing of Leno Bags, PP Fabrics, Sutli (Fibrillated Twisted Thread)
2. Trading of Polypropylene Granules

Particulars	March 31, 2022 (Rs. in Lacs)	March 31, 2021 (Rs. in Lacs)	March 31, 2020 (Rs. in Lacs)
Revenue from Operations			
Manufacturing:			
• Leno Bags			
- Domestic	4,099.66	2,759.39	3,029.35
- Export	-	25.02	46.42
• Woven Fabrics	56.26	27.59	38.86
• Sutli (Fibrillated Twisted Thread)	35.87	-	-
Trading:			
• Polypropylene Granules	430.64	115.84	9.09
Miscellaneous	24.4	21.39	25.92
Total	4,646.83	2,949.23	3,149.64



OUR PRODUCTS:**Leno Bags**

We are one of the leading manufacturer of Polypropylene (PP) Leno Bags in India. It aptly addresses the concern for packing and preservation of vegetables and fruits. With a firm rooting in the Indian market, the company is now set to enter the international arena by foraying into exports and building a global clientele.

Leno Bags is the latest & modern method of packing, storing and transporting of fruits and vegetables at farm. It is widely adopted method for its simplicity and unmatched utility at an affordable cost. Leno Bags are ideal for packaging perishable produce like potatoes, onions, garlic, coconuts, citrus fruits, vegetables and flowers. The aeration provided by these bags helps storage of packed fruits and vegetables in open and refrigerated units due to its excellent ventilation. It also resists fungus or insects thus preserving the life of the packed content. It is strong, light-weight and can withstand long hours of transportation without any waste and spillage.

**Applications:**

- Vegetables: Potato, Onion, Garlic, Brinjals, Cabbage, Cauliflower, Mirchi, Ginger, etc
- Fruits: Oranges, Sweet Lime, Raw Mango and Pineapples
- Cash Crops: Groundnuts, Areca nuts and Coconuts
- Leaves: Tendu Leaves and Tea leaves

Features:

- Leno Bags are made on Circular/Flat Weaving Leno Looms
- Available in variety of sizes ranging from 8 inches to 80 inches in width and of any length.
- Denier of tapes is 400-650
- Mouth sewing available in seam or over locked/chain stitching
- Easy labelling
- Available in a wide range of colours
- Available in a wide range of sizes (5kg/10kg/25kg/50kg)

Advantages:

- Safe and hygienic packaging for horticultural products, consumables and perishables
- Lightweight and durable
- Excellent breathability for the produce
- Does not impact aroma of packed fruits and vegetables
- Resistant to moisture
- No fungal growth, either on the bag or in the packed contents
- Prevents sweating/rotting of agricultural produce
- Negligible wastage and spillage of fruits and vegetables
- Excellent resistance to impact and handling abuses
- Provides easy visual inspection of packed contents
- Power saving for Cold Storage owners
- Compliant with international quality standards for exports

INFRASTRUCTURE FACILITIES FOR MANUFACTURING

Our factory is situated in Sudha Ras Food & Poly Park, Howrah which is one of the best industrial parks in West Bengal with best of infrastructure. The location is most happening and is fastest growing industrial area of West Bengal. It's a power surplus region and power cuts are a rarity. It's on NH6 and is well connected with all regions of the country. It is closely located to both Kolkata and Haldia Ports.

Manufacturing Process

Raw Materials used:

- Plastic Granuels
 - Polypropylene (PP) 92-94%
 - Linear Low Density Poly Ethylene (LLDPE) 3-5%
- Colour
 - Colour Master Batch 3-4%

Stage-I: Strips (Tape) manufacturing

- ☐ Raw materials are mixed and fed into the Extrusion Tape Line
- ☐ Materials are melted inside the Extrusion Tape Line and a film is extruded.
- ☐ The film is slit and stretched in the same machine to form into strips (tapes).
- ☐ The strips (tapes) are winded on bobbins on winders.

Stage-II: Weaving and making fabric rolls

- ☐ These bobbins are then loaded on Circular Weaving Looms and Woven Leno Fabric is made in roll form.

Stage-III: Leno Fabric Rolls converted into Bags

- ☐ The Fabric Rolls manufactured on the Weaving looms are cut into desired length, then the pieces are bottom stitched and hemmed to form a bag.

Stage-IV: Bailing, Packing and Branding

- ☐ Then a lot of generally 1000 bags is compressed on a hydraulic baling machine and packed which is called bale.

Process Flow:

Raw materials are fed into extruder



Film getting slit into strips (tapes)



PP Strips (tapes) Bobbins are fed on the loom and Leno fabric is manufactured by weaving and then fabric is rolled in a Roll



Tapes being winded on winders



PP Leno Bag



Bale having 1000 pcs Leno Bags

Polypropylene Fabrics

Polypropylene Woven fabrics are strong, economical and dependable packaging options for a wide range of commercial as well as industrial commodities. These fabrics are used in different industrial segments like Bag manufacture, Fertilizers, Cement, Polymers, Chemicals, Textiles, Machinery and Food grain packing.

This plastic is a linear hydrocarbon polymer, and it is one of the most popular plastics due to its low cost and easy manufacturability. Polypropylene fabric, resists fading and water absorption. Furthermore, it is flexible, lightweight, durable, breathable, moisture-wicking, recyclable.

**Applications:**

- Flexi Intermediate Bulk Containers
- Fertilizers
- Small Sacks
- Cement
- Tarpaulin Covers
- Textiles
- Machinery Tents & Shelters
- Food Grain packing

Properties:

- High heat deflection temperature (HDT)
- Durability
- Low cost to produce
- Dimensional stability
- Low density
- Stiffness
- Abrasion resistance
- High tensile strength
- Chemical resistance

Manufacturing Process**Raw Materials used:**

- Plastic Granuels
 - Polypropylene (PP) 92-94%
 - Linear Low Density Poly Ethylene (LLDPE) 3-5%
- Colour
 - Colour Master Batch 3-4%

Stage-I: Strips (Tape) manufacturing

- ☐ Raw materials are mixed and fed into the Extrusion Tape Line
- ☐ Materials are melted inside the Extrusion Tape Line and a film is extruded.
- ☐ The film is slit and stretched in the same machine to form into strips (tapes).
- ☐ The strips (tapes) are winded on bobbins on winders.

Stage-II: Weaving and making fabric rolls

- These bobbins are then loaded on Circular Weaving Looms and Woven PP Fabric is made in roll form.

Sutli (Fibrillated Twisted Thread)

Sutli are manufactured from Polypropylene Granules, which are in turn, manufactured in to making Sutli or Fibrillated Twisted Thread. This are mainly used for tying and stitching bags. The yarns are very cost effective and versatile and have a range of physical characteristics that makes it ideal for a wide range of applications.

**Applications:**

- Mouth Stitching/ tying Leno Bags, Woven Sacks
- Used for manufacturing of Rope, Safety Net, Skipping Ropes, Handicraft
- Used as Sewing Thread

Features:

- Denier Range: 700 to 4000 D
- GPD (Grams per Denier): 5.5 to 6.5 Kg
- Twisted & Non Twisted
- With UV & Non UV Stabilisation
- Air Intermingled

Advantages:

- Variety of Colours
- Water Resistant
- Recyclable
- High Tenacity
- High impact Stress
- Intermingled (24 point per meter)

Manufacturing Process**Raw Materials used:**

- Plastic Granuels
 - Polypropylene (PP) 92-94%
 - Linear Low Density Poly Ethylene (LLDPE) 3-5%
- Colour
 - Colour Master Batch 3-4%

Stage-I: Strips (Tape) manufacturing

- Raw materials are mixed and fed into the Extrusion Tape Line
- Materials are melted inside the Extrusion Tape Line and a film is extruded.
- The film is slit and stretched in the same machine to form into strips (tapes).
- Strips as passed through fibrillation machine to perforate the strips (tapes)
- The fibrillated strips (tapes) are winded on bobbins on winders.

Stage-II: Twisting

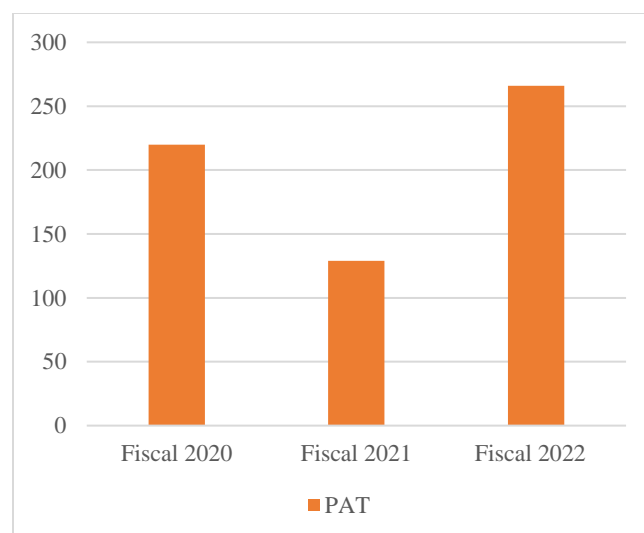
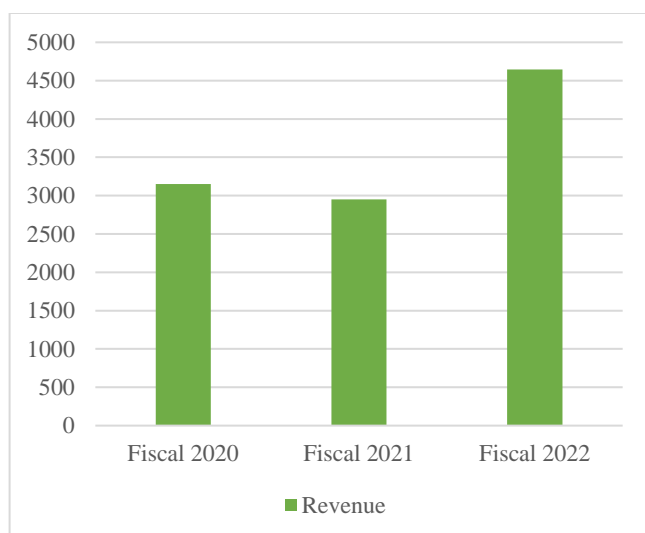
- Fibrillated strips (tapes) are processed in Tape Twisting Machine to appropriately twist the strips (tapes) and wind on paper core to create spools of required size and weight. Cut into required length for specific applications. Spools/ cut pieces are packed, weighed and labelled.

FINANCIAL HIGHLIGHTS

The financial highlights of our company as per restated consolidated financial statement are as mentioned below:

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operations	4646.83	2949.23	3149.64
Net Profit after Tax	265.93	128.87	219.85
Net Worth	3105.13	2839.20	2710.33
EBITDA	421.15	279.15	365.20

**Our Major Customers:**

The company has its dealer network all over the West Bengal and mainly sells through them. The following is the breakup of the top five and top ten customers/suppliers of our Company for the Fiscal 2022, 2021 and 2020:

₹ in lakhs

Particulars	March 31, 2022		March 31, 2021		March 31, 2020	
	Amount	In %	Amount	In %	Amount	In %
Top 5 Customers	3118.38	67.11	1887.54	64.00	2110.09	66.99
Top 10 Customers	3680.68	79.21	2532.59	85.87	2722.61	86.44
Top 5 Suppliers	2977.54	88.26	1927.51	83.99	1965.29	86.44
Top 10 Suppliers	3302.22	97.88	2252.53	98.15	2191.54	96.39

❖ **Our Competitive Strengths:**

1. **Organizational stability along with management expertise:** Our company has an established track record of 14+ years which indicates the company's ability to weather economic and business cycles. The promoters have over 4 decades of experience in diverse industries. This indicates our ability to maintain business viability and steer the business through operational hurdles. Our promoters are the guiding force behind the operational and financial decision of our company. Our promoters are responsible for the entire business operations of the company along with an experienced team of executives who assist them.
2. **Smooth flow of operations:** 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 business from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.
3. **Well-defined organizational structure:** The company has a qualified and experienced management that has decision making powers. It is expected to benefit from the management's ability to ensure smooth flow of operations. Our Company is managed by a team of competent personnel having knowledge of core aspects of our Business. We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and teamwork within our organization. We believe that a motivated and empowered employee base is key to our competitive advantage. Our personnel policies are aimed towards recruiting talented employees and facilitating their integration into our organization and encouraging the development of their skills and expertise. We believe that our experience, knowledge and human resource will enable us to drive the business in a successful and profitable manner for decades to come. We are dedicated to the development of expertise and know-how of our employees and continue to invest in them through training and skills.
4. **Existing Supplier Relationship:** Our existing supplier relationship protects the business with terms of supply and pricing of the products, the quality of the products offered etc. We, being a small and medium size organization sign annual memorandum of understanding (MOU) with some big polymer suppliers for smooth supplies. Our company enjoys excellent relationship with our suppliers.
5. **Wide range of Products:** We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base.

❖ **Our Business Strategy:**

1. **Focus on Increase in Volume of Sales:** As a part of our growth strategy our focus is on increasing sales volume through expansion, diversification and spread in geographical outreach. We believe that our growth in local market can fetch us new business expansion and opportunities. We are currently catering mainly in West Bengal because of capacity constraints but have started connecting to other states in last 2-3 years to understand their requirement. Our emphasis is on catering to other states requirements mainly Uttar Pradesh, Bihar, Rajasthan, Madhya Pradesh and Punjab apart from West Bengal. The company is pursuing lot of opportunities to increase its production capacity by processing fabrics into bags. With this increased production capacity, we shall be able to grow our client base geographically also.
2. **Reduction of operational costs and achieving efficiency:** Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. Our focus has been to reduce the operational costs to gain competitive edge.
3. **Quality Assurance:** Our foremost endeavour is in maintaining highest quality standard of our bags. We also have standard operating procedures in place for quality and timely service to our customers. Our company intends to strengthen its service effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers.

4. **Improving operational efficiencies:** Our Company focuses on improving operating efficiencies to achieve cost reductions to have a competitive edge. We continuously strive to increase operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency, higher productivity with minimum wastage. Economies of scale also plays an important role. We believe in strong in-house management to control the entire process. It controls costs by eliminating unnecessary intermediaries for procuring materials in cost efficient manner by optimizing logistics and by maximizing labour efficiency.
5. **Leverage and enhance our goodwill in the market:** We believe that the Goodwill we have created in the market commands a recall amongst the consumers in the areas where we operate due to the image and goodwill established over the years. We intend to leverage this goodwill and increase our market base. We are in constant pursuit towards newer avenues for sustainable growth.
6. **Leveraging our Market skills and Relationships:** This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.
7. **Increasing the customer reach:** the company is in the process of tapping big buyers in other states and has started seed marketing. In FY 2021-22 we could successfully tap few big customers in Rajasthan, Karnataka and Uttar Pradesh and have supplied few consignments of highest quality bags at very competitive prices to penetrate the market. This effort will bear the fruits very soon and would make the base for new market when the capacity increases further.
8. **Innovative & Marketing Method:** Over and above the regular human reach we will be adopting innovative method through social media, groups, public meetings, meetings, seminars to address our potential customer base.

❖ SWOT Analysis:

Strengths

- Established operations and proven track record
- State of art production facility
- Quality Assurance and Standards
- Experienced Management Team
- Satisfied customer with quality and service
- Smooth flow of operations
- Strong business model
- Excellent relationship with Bankers

Weakness

- Insufficient market reach
- Heavy dependence on raw material suppliers
- High working capital requirement
- Fluctuation in farm output
- Natural calamity impact such as flood, drought

Opportunities

- Potential to provide other value-added products
- Expanding new geographical area
- Opportunities in untapped Indian and overseas Market
- Government thrust on horticulture and food processing will boost demand for packaging materials

Threats

- Increased Competition from Big Players
- Change in Government Policies
- Rising labour wages
- No entry Barriers

❖ Competition:

We operate in the highly competitive industry. There are no entry barriers in our industry which puts us to the threat of competition from new entrants. There are numerous players operating in the industry. We face tough competition in our business from a large number of unorganized and a few organized players. Our aim is to provide the branded, standardized and uniform quality products at competitive prices to our consumers. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market

focus and the relative quality and price of the products. We believe that our ability to compete effectively is primarily dependent on ensuring consistent product quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides competitive advantage in our business. We believe that our technical capabilities, experience in this business and quality assurance will be key to overcome competition posed by such organized and unorganized players.

HUMAN RESOURCES

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business and hence we have a structured organization plan to take care of the growth and motivation aspects of our team. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

The total strength of manpower as on date of this draft prospectus is 148 employees including Directors. Category wise details are as under:

Department	No of Employees
Executive Director	3
Company Secretary	1
Chief Financial Officer	1
Administration	3
Operations Department	6
Accounts Department	4
Purchase Department	1
Marketing Department	1
Transport Department	1
Temporary Labour	5
Permanent Labour	122
TOTAL	148

INSURANCE POLICIES OF OUR COMPANY

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured (in ₹)
51040011214 300000012	New India Bharat Laghu Udyam Suraksha Policy	From: 01/09/2021 To: 31/08/2022	Mega Flex Plastic Ltd Polypark, Plot PPD 3, Sandhipur, P.O. Joynagar, Howrah – 711 302 Stocks in process – ₹ 4,00,00,000 Stocks – ₹ 6,00,00,000 Nezone Herbals Pvt Ltd, Food Park, Plot No F-3, Vill Sandhipur, PO: Joynagar, Howrah – 711302 Stocks – ₹ 2,00,00,000	The New India Assurance Co. Ltd.	12,00,00,000
51040011214 300000011	New India Bharat Laghu Udyam Suraksha Policy	From: 26/08/2021 To: 25/08/2022	Mega Flex Plastic Ltd Polypark, Plot PPD 3, Sandhipur, P.O. Joynagar, Howrah – 711 302 Building Superstructure – ₹ 7,65,73,169 Plinth & foundation – ₹ 2,72,95,846 Furniture, Fixture & Fittings – ₹ 11,08,000 Plant & Machinery – ₹ 10,43,91,650 Other Contents SI – ₹ 1,98,10,890	The New India Assurance Co. Ltd.	22,91,79,555
51040046210 100000058	Policy Schedule For Burglary	From: 26/08/2021 To: 25/08/2022	Mega Flex Plastic Ltd Polypark, Plot PPD 3, Sandhipur, P.O. Joynagar, Howrah – 711 302	The New India Assurance Co. Ltd.	12,00,00,000

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured (in ₹)
	(Floater) Insurance		Nezone Herbals Pvt Ltd, Food Park, Plot No F-3, Vill: Sandhipur, PO: Joynagar, Howrah – 711302		
			Stocks in Trade – 12,00,00,000		
0163089115 00 00	Auto Secure Commercial Vehicle Package Policy	From: 08/03/2022 To: 07/03/2023	Eicher Pro Reg. No.: WB02 2095	Tata AIG General Insurance Company Limited	17,05,250
OG-22-2495- 1803- 00009343	Commercial Vehicle Package Policy	From: 02/02/2022 To: 01/02/2023	Tata Ultra Reg. No.: WB11C9256	Bajaj Allianz General Insurance Company Ltd.	5,65,022
OG-22-2495- 1802- 00004844	Two-Wheeler Package Policy	From: 29/09/2021 To: 28/09/2022	Hero Splendor Plus Reg. No.: WB12AA8983	Bajaj Allianz General Insurance Company Ltd.	19,999
OG-22-2495- 1802- 00003616	Two-Wheeler Package Policy	From: 03/08/2021 To: 02/08/2022	Bajaj Discover125 Reg. No.: WB12AR8083	Bajaj Allianz General Insurance Company Ltd.	27,540
OG-22-2495- 1802- 00003615	Two-Wheeler Package Policy	From: 09/08/2021 To: 08/08/2022	Bajaj Discover125 Reg. No.: WB01AC7901	Bajaj Allianz General Insurance Company Ltd.	20,045
D034993853 / 26072021	Digit Two- Wheeler Package Policy	From: 14/08/2021 To: 13/08/2022	BajajPlatina100 DB BSVI Reg. No.: WB076412	Go Digit General Insurance Ltd.	11,000
3101053995	Auto Secure Private Car Package Policy	From: 21/03/2022 To: 20/03/2023	Toyota/Innova Crysta / 2.4 G Plus Reg. No.: WB02AM6384	Tata AIG General Insurance Company Limited	8,42,265
OG-22-2495- 1801- 00010177	Private Car Package Policy	From: 19/02/2022 To: 18/02/2023	Honda - New City Reg. No.:WB02AG6305	Bajaj Allianz General Insurance Company Ltd.	4,98,646
OG-23-2495- 1801- 00001066	Private Car Package Policy	From: 31/05/2022 To: 30/05/2023	Maruti – Omni Reg. No.:WB06D5568	Bajaj Allianz General Insurance Company Ltd.	1,00,057
OG-22-2495- 1803- 00003559	Commercial Vehicle Package Policy	From: 04/09/2021 To: 03/09/2022	Tata LPT 1109/42 Reg. No.: WB11C2753	Bajaj Allianz General Insurance Company Ltd.	4,28,592
3001/215668 305/01/000	Private Car Package Policy	From: 04/12/2021 To: 03/12/2022	Mercedes / C 250 CDI Reg. No.: WB02AM1922	ICICI Lombard General Insurance Company Limited	26,16,568

PLANT AND MACHINERY

The details of Major Plant & Machinery are as follows:

Sl. No.	Name of Plant & Machinery	Quantity
1	Extrusion tape Line (including Cheese Winders)	1 No.
2	Cheese Winder	348 Nos.
3	Leno Looms (Leno-4)	52 Nos.
4	Plain Fabric Looms LSL-6 (with Leno conversion kit)	8 Nos.
5	Stitching Machine	49 Nos.
6	Bailing Press Hydraulic	6 Nos.
7	Loader & Hopper	1
8	Flexographic Printing Machine	1

PRODUCTION CAPACITY AND CAPACITY UTILIZATION








Leno Looms




Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Production Capacity of Leno Bags (Nos. in lakhs) [#]	513.07	513.07	513.07
Actual Capacity Utilization (Nos. in lakhs) [#]	464.98	433.94	502.98
% of Utilization	90.63%	84.58%	98.03%

[#] As certified by Management

INTELLECTUAL PROPERTY DETAILS

Below are the details of the trademark applied by our company or registered in the name of our company: -

Logo / Word	Class	Trademark Type	Owner of Trademark	Application No. & Date	Current Status
	16 ⁽¹⁾	Device	Mega Flex Plastics Limited	1988308 02/07/2010	Registered
LENOFLEX	16	Word	Mega Flex Plastics Limited	1611676 15/10/2007	Registered but expired
	16	Device	Mega Flex Plastics Limited	1611677 15/10/2007	Registered but expired
	16	Device	Mega Flex Plastics Limited	5445250 12/05/2022	Formalities Chk Pass
LENOFLEX	16	Word	Mega Flex Plastics Limited	5491035 16/06/2022	Formalities Chk Pass
	22	Device	Mega Flex Plastics Limited	5445254 12/05/2022	Formalities Chk Pass
LENOFLEX	22	Word	Mega Flex Plastics Limited	5445255 12/05/2022	Formalities Chk Pass
	16 ⁽²⁾	Device	Mega Flex Plastics Limited	1821111 22/05/2009	Registered
	16	Device	Mega Flex Plastics Limited	5499832 22/06/2022	Formalities Chk Pass
KISAN FRESH	16 ⁽³⁾	Word	Mega Flex Plastics Limited	2039254 18/10/2010	Registered
	16 ⁽⁴⁾	Device	Mega Flex Plastics Limited	1988310 02/07/2010	Registered

Logo / Word	Class	Trademark Type	Owner of Trademark	Application No. & Date	Current Status
	16	Device	Mega Flex Plastics Limited	5445253 12/05/2022	Formalities Chk Pass
	16	Device	Mega Flex Plastics Limited	5445251 12/05/2022	Formalities Chk Pass
	16	Device	Mega Flex Plastics Limited	5445252 12/05/2022	Formalities Chk Pass
KISAN	16	Word	Mega Flex Plastics Limited	1821112 22/05/2009	Opposed
TIGER	16	Device	Mega Flex Plastics Limited	1988309 02/07/2010	Refused

- (1) The logo is registered under plastic material for packaging, plastic sheets, sacks, leno bag and bags for rapping and packaging not included in other classes, paper, cardboard and goods made from these materials, book binding materials, stationery, PP leno bag included in Class 16. An application in the prescribed form has been filed for renewal of registration of trade mark on February 03, 2022.
- (2) The logo is registered under plastic material for packaging, plastic sheets, sacks, leno bag and bags for rapping and packaging not included in other classes, Paper, cardboard and goods made from these materials, book binding material, stationery, included in Class -16. An application in the prescribed form has been filed for renewal of registration of trade mark on February 03, 2022.
- (3) The word is registered under plastic material for packaging, plastic sheets, snacks, leno bag and bags for rapping and packaging not included in other classes, paper, cardboard and goods made from these materials, book binding material, stationary, PP leno bag. An application in the prescribed form has been filed for renewal of registration of trade mark on February 03, 2022.
- (4) The logo is registered under bags for rapping and packaging. An application in the prescribed form has been filed for renewal of registration of trade mark on February 03, 2022.

PROPERTY DETAILS

Leased Property: As per below mentioned details

Details of the Deed/ Agreement	Particulars of the property, description and area	Tenure of Lease	Consideration / License Fee/Rent	Usage
Deed of Lease dated March 30, 2007 between M/s. West Bengal Industrial Development Corporation Limited ("Lessor") and M/s. Mega Flex Plastics Limited ("Lessee")	Land measuring 2.095 acres in Howrah Poly Park in Mouza: Sandhipur, JL No. 04 at Master Plot No. PPD-3 situated in RS Dag No. 801, 802, 806, 807, 808, 809, Khatian No. 629, 655, 494,49, 658, 686, 461, 156, 313, 38 at PS: Sankrail, Addl District Sub-Registrar: Ranihati in the district of Howrah and recorded in Deed No. I-1304, I-4378 & 4373	99 years commencing from March 30, 2007	70,18,250/-	Factory & Warehouse
Indenture of Lease dated March 27, 2015 between Mr. Bharat Bhagnani ("Vendor") and M/s. Mega Flex Plastics Limited ("Purchaser")	Office Unit No. 2A containing the super built-up area of 550 sq.ft. more or less, built up and erected on the north side of the 2 nd floor including proportionate area of common service and facilities and 157.40 sq.ft. undivided proportionate variable impartible share in the lease hold land comprised in the Premises No.4, Ho Chi Minh Sarani, KBR Complex, Police Station Shakespeare Sarani, Kolkata -700071 under Kolkata Municipal Corporation Ward No.63	Lease upto July 19, 2084 Original period of lease is 99 years commencing from July 19, 1985	60,00,000/-	Registered Office

Details of the Deed/ Agreement	Particulars of the property, description and area	Tenure of Lease	Consideration / License Fee/Rent	Usage
Indenture of Lease dated March 27, 2015 between Mrs. Kirti Bhagnani (“Vendor”) and M/s. Mega Flex Plastics Limited (“Purchaser”)	Office Unit No. 2A/1 containing the super built-up area of 550 sq.ft. more or less, built up and erected on the north side of the 2 nd floor including proportionate area of common service and facilities together with one open car parking space measuring approx. 100 sq.ft. on the ground level and 157.40 sq.ft. undivided proportionate variable impartible share in the Leasehold land comprised in the Premises No.4, Ho Chi Minh Sarani, KBR Complex Police Station Shakespeare Sarani, Kolkata -700071 under Kolkata Municipal Corporation Ward No.63	Lease upto July 19, 2084 Original period of lease is 99 years commencing from July 19, 1985	65,00,000/-	Registered Office

Leased out Property: As per below mentioned details

Details of the Deed/ Agreement	Particulars of the property, description and area	Tenure of Lease	Consideration / License Fee/Rent	Usage
Deed of Sub-Lease dated March 28, 2022 between M/s. Mega Flex Plastics Limited (“Sub-Lessor”) and M/s. White Saffron Grains LLP (“Sub-Lessee”)	Warehouse Space for manufacturing unit for Woven Fabric, Leno Fabric, Woven Bags, Leno Bags & other plastic products admeasuring about 36,450 sq. ft. situated in Howrah Poly Park,	10 years commencing from April 01, 2022	3,64,500/- per month	Factory
Leave & License Agreement (Sub-lease Agreement) dated September 01, 2021 between M/s. Mega Flex Plastics Limited (“Sub-Lessor”) and M/s. White Saffron Grains LLP (“Sub-Lessee”)	Space admeasuring about 300 sq.ft. built-up area on the mezzanine floor of the main building in Poly Park at Master Plot No. PPD-3 Village: Sandhipur, PS: Sankrail, Addl District Sub-Registrar: Ranihati in the district of Howrah.	11 months commencing from September 01, 2021	3,000/- per month	Office
Leave & License Agreement (Sub-lease Agreement) dated February 01, 2022 between M/s. Mega Flex Plastics Limited (“Licensor”) and M/s. Mondelez India Foods Private Limited (“Licensee”)	Space admeasuring about 1500 sq.ft. super built-up area on the mezzanine floor of the main building in Poly Park at Master Plot No. PPD-3 Village: Sandhipur, PS: Sankrail, Addl District Sub-Registrar: Ranihati in the district of Howrah.	11 months commencing from February 01, 2022	23,625/- per month	Factory

UTILITIES & INFRASTRUCTURE FACILITIES

• Power

Manufacturing Facility at Poly Park, Howrah, West Bengal: The factory has been sanctioned a contract load of 410 KVA from West Bengal State Electricity Distribution Limited.

Apart from above, to cope with the increased requirement of power in view of addition of new equipment and uninterrupted power supply, the factory has installed a 1000KVA Transformer and 570 KVA Generator in factory premises.

Registered Office: The Registered office has been receiving power from CESC Limited.

• Water

Manufacturing Facility at Poly Park, Howrah, West Bengal: The water as required by factory is provided by Overhead Tanks maintained by industrial park and our own submersible pumps installed at site.

COLLABORATION/TIE-UPS/JOINT VENTURE DETAILS

As on date of this Draft Prospectus, our Company has not entered into any technical or other Collaboration / Tie Ups / Joint Ventures.

EXPORT AND EXPORT OBLIGATIONS

In the past, our Company has exported Leno Bags to Poland for ₹46,42,542 and ₹25,02,042 for the financial year 2019-20 & 2020-21 respectively. The details of exports are given below:

Name of Product	Country	March 31, 2022		March 31, 2021		March 31, 2020	
		In \$	In ₹	In \$	In ₹	In \$	In ₹
Leno Bags	Poland	-	-	33629.60	25,02,042.00	65739.90	46,42,542.00

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

SALES & MARKETING

Our company is having an Experienced & Customer Centric Business Development Team right from the Top Management till the on-field executive, whose main aim is to bring the business for the organisation in a right full way. The Company markets its products to currently different location across West Bengal, Uttar Pradesh, Karnataka, Rajasthan, Chhattisgarh etc. Details of state-wise sales are as follows:

State	March 31, 2022	March 31, 2021	March 31, 2020
West Bengal	41,43,78,519	28,77,19,005	30,55,50,652
Uttar Pradesh	2,77,89,540	10,72,260	47,70,880
Karnataka	1,57,37,850	13,22,200	-
Rajasthan	53,82,140	13,57,970	-
Chhattisgarh	13,95,150	-	-
Bihar	-	9,50,000	-
Total	46,46,83,199	29,24,21,435	31,03,21,532

The efficiency of the sales and marketing network is critical to success of our Company. Our success lies in the strength of our relationship with the clients who have been associated with our Company. Our team through their experience and good rapport with these clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To get repeat orders from our customers, our team having adequate experience and competence, regularly interact with them and focus on gaining an insight into the additional needs of customers.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is an overview of certain sector specific relevant laws and regulations in India which are applicable to the operations of our Company. The information available in this section has been obtained from publications available in public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by the Company, see “Government and Other Approvals” beginning on page no 182 of this draft prospectus. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Approvals” beginning on page number 182 of this draft prospectus.

BUSINESS AND TRADE RELATED LAWS

The Legal Metrology Act, 2009

The Metrology Act has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weight & Measurement (Enforcement) Act, 1985. The Metrology Act provides for establishment and enforcement of standards of weights and measures and for regulation of trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The key features of the Metrology Act include appointment of government-approved test centers for verification of weights and measures, allowing companies to authorize any of its directors to be responsible to ensure that no offence is committed by a company under the Metrology Act and penalties for violation of the provisions of the Metrology Act.

The Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (MSME Act) seeks to facilitate the development of micro, small and medium enterprises. The MSME Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- (a) where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;
- (b) where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- (c) where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSME Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSME Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSME Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods. The MSME Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon.

EMPLOYMENT AND LABOUR LAWS

The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 (“ID Act”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman’s services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”)

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”) provides for the protection of women and prevention of sexual harassment at work place. The SHWW act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favour or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or nonverbal conduct of sexual nature. The posh act makes it mandatory for every employer of a workplace to constitute an internal complaints committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the internal complaints committee i.e. A written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the local complaints committee. The penalty for non-compliance with any provision of the posh act shall be punishable with a fine extending to Rs. 50,000.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

General Labour Laws

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws other than state-wise shops and establishments acts, which may be applicable to the Company due to the nature of its business activities:

1. The Contract Labour (Regulation and Abolition) Act, 1970;
2. Code on Wages, 2019*;
3. Code on Social Security, 2020*;
4. The Employee's Compensation Act, 1923;
5. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
6. The Payment of Gratuity Act, 1972;
7. The Payment of Bonus Act, 1965;
8. The Maternity Benefit Act, 1961;
9. The Minimum Wages Act, 1948;
10. The Employees' State Insurance Act, 1948;
11. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
12. The Payment of Wages Act, 1936;
13. The Industrial Disputes Act, 1947;
14. The Trade Unions Act, 1926;
15. Industrial Employment (Standing Orders) Act, 1946;
16. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
17. The Equal Remuneration Act, 1976; and
18. The Child Labour (Prohibition and Regulation) Act, 1986.

*Certain provisions of the Code on Wages and the Code on Social Security have been notified as on date.

In order to rationalize and reform labor laws in India, the Government of India has notified four labour codes till date, namely,

- i. The Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936,
- ii. The Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947,
- iii. The Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972; and
- iv. the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

INTELLECTUAL PROPERTY LAW

Trademarks Act, 1999 (Trademark Act)

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure. As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

Copyrights Act, 1957 (Copyright Act)

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization. While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favouring ownership of the copyright by the registered owner. Copyright registration may

expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years. The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

Patents Act, 1970 (Patent Act)

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first invention in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

PROPERTY RELATED LAWS

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by the operation of law, is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

The Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the "Stamp Act") provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

TAXATION LAWS

Income Tax Act, 1961

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

Goods and Service Tax (GST)

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax,

Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For interstate transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

OTHER GENERAL LAWS

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The 2013 Act is divided into 29 chapters containing 470 sections as against 658 Sections in the Companies Act, 1956 and has 7 schedules. A new term of "one-person company" is included in this act that will be a private company. Further, the Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. The Ministry of Corporate Affairs has issued the rules and new improved e-forms complementary to the Act establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Act.

Sale of Goods Act, 1930

The Sale of Goods Act, 1930 including its amendment from time to time, define and amend the law relating to the sale of goods in India. The act provides for setting up of contracts where the seller transfers or agrees to transfer the title (ownership) in the goods to the buyer for consideration. It is applicable all over India. Under the act, goods sold from owner to buyer must be sold for a certain price and at a given period of time.

Consumer Protection Act, 2019

The Consumer Protection Act, 2019, along with the Consumer Protection (E-Commerce) Rules, 2020 ("COPRA") has superseded Consumer Protection Act, 1986 and came into force on July 20, 2020 and July 23, 2020, respectively. The COPRA has been promulgated to provide for the protection of consumers' interests, to establish authorities for timely and effective administration, to settle consumers' disputes and other connected matters. It provides for establishment of the Central Consumer Protection Council to render advice on the promotion and protection of consumers' rights and the Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices, and false or misleading advertisements which are prejudicial to the interests of public and consumers. The Consumer Disputes Redressal Commissions at the district, state, and national levels are also established under the COPRA. The COPRA also governs the online sale of goods, services, digital products by entities which own, operate, or manage digital or electronic facility or platform for electronic commerce, all models of e-commerce (including marketplace or inventory based), and all e-commerce sellers. It lays down the duties and liabilities of E-Commerce entities and e-commerce sellers.

ENVIRONMENTAL PROTECTION LAWS

The Environment Protection Act, 1986 (The "Environment Protection Act") and The Environment (Protection) Rules, 1986 (The "Environment Protection Rules")

The Environment Protection Act was enacted to act as an "umbrella" legislation designed to provide a framework for coordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the Central Government to protect and improve environment quality, control, and reduce pollution. The Environment Protection Rules framed under the Environment Protection Act lay down specific provisions regarding standards for emission or discharge of environmental pollutants, prohibition of carrying out industrial activities in certain geographical locations, procedures for function of environmental laboratories and submission of samples. The draft Environment (Protection) Amendment Rules, 2020 provide for regulations on use of membrane - based water purification system which, if passed, shall be applicable to all filtration - based purification or wastewater treatment system, where polymer - based membrane is used and discarded at the end of its life.

Air (Prevention and Control of Pollution) Act, 1981 (The “Air Act”)

The Air Act was enacted and designed for the prevention, control and abatement of air pollution and establishes Central and State pollution control boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any person establishing or operating an industrial plant in an air pollution control area must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity.

The Water (Prevention and Control of Pollution) Act, 1974 (The “Water Act”)

The Water Act was enacted to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. Further, the Water Act also provides for the establishment of boards with a view to carrying out the aforesaid purposes for conferring on and assigning to such boards powers and functions relating thereto.

Plastic Waste Management Rules, 2016

Under the Plastic Waste Management Rules, 2016, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Solid Waste Management Rules, 2016, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centers, either on its own or through the authorized waste collection agency.

OTHER INDIAN LAWS

In addition to the above, the company is also governed by the provisions of the Competition and Insolvency Act and rules framed thereunder, other relevant central and state tax laws, foreign exchange and investment laws, applicable building and fire-safety related laws, customs act, contract act and foreign trade laws and other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for over day to day business, operations and administration.

OUR HISTORY AND CERTAIN CORPORATE MATTERS

HISTORY AND BACKGROUND

Our Company was originally incorporated as “Mega Flex Plastics Limited” on November 18, 2003 vide certificate of incorporation bearing Corporate Identity No. U25209WB2003PTC097273 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, West Bengal. Subsequently, the company was converted into Public Limited Company vide a fresh certificate of incorporation issued by the Registrar of Companies, West Bengal, consequent upon conversion from Private Limited to Public Company dated February 01, 2007 in the name of “Mega Flex Plastics Limited”. The Corporate Identification Number of our Company changed to U25209WB2003PLC097273.

Our Company was originally formed in the year 2003 under visionary and dynamic leadership of Late Anup Chand Sethia and his son Mr. Rakesh Sethia with the main object of manufacturing, processing, buying, selling, trading etc. in flexible packaging material and to do all other acts and things necessary for the attainment of the foregoing objects to empower the Indian rural sector with packaging solutions. With his decades of rich experience in plastic processing, oil milling, paper packaging and other industries, he visualized tremendous opportunity available in the field of packaging of horticultural produce, especially potato, onion and other vegetables. His vision became reality in the form of Mega Flex Plastics Limited which started operation with 27 looms in the year 2007.

In the year 2006, our Company acquired land of 2.095 acres in Howrah Poly Park from West Bengal Industrial Development Corporation Limited (WBIDC Limited) on lease basis for 99 years to set up plastic products/packaging unit. In the year 2007, we started with state of art manufacturing facility with installation of 27 looms with production capacity of 22.61 million Bags per year. We decided to put 27 looms (First Phase) all designed specially to manufacture PP Leno Bags mainly and one Extrusion Tape line which can accommodate 60-65 looms thinking of future expansion. It was a very bold decision from our management to go fully for the product which was hardly established in the market. But they had full confidence on the future of the LENO Bags.

Mr. Sethia then partnered with his childhood friend Mr. Mohan Lal Parakh and Mr. Hukum Chand Bothra son of his brother-in-law to move ahead and take on the challenge. Currently Mr. Mohan Lal Parakh is our Chairman and Mr. Hukum Chand Bothra is our Managing Director of the Company.

We gradually increased capacity to 51.30 million Bags per year in 2020. With efficient and motivated workforce and with thrust on maintaining machine efficiency, we could achieve optimum level of production year after year. Strict production supervision and special focus on quality, we ensure that quality packaging products reaches to the farmers. Our bags are trusted upon by the farmers and our brands are very popular among them. We also export Leno Bags to European countries and our quality is well accepted there also.

Our Company's Leadership team consists of our promoters who have several decades of experience in the field of packaging solutions. This has made our company a highly acclaimed and trusted enterprise with a focus on innovation and sustained growth. We are having a professional managed team to execute our projects having vast techno-commercial knowledge and experience in the field of plastic packaging.

CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

Date	Details of Registered Office	Reason for Change
<i>At Incorporation</i>	<i>14/1C, Jainuddin Mistry Lane, Ground Floor, New Alipore, Kolkata – 700027, West Bengal, India</i>	----
<i>July 16, 2018</i>	<i>4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India</i>	<i>For Business Convenience</i>
<i>November 14, 2019</i>	<i>24, Netaji Subhas Road, 4th floor, Room No. 33, Kolkata – 700001, West Bengal, India</i>	<i>For Business Convenience</i>
<i>December 16, 2019</i>	<i>4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India</i>	<i>For Business Convenience</i>

MAIN OBJECTS OF OUR COMPANY:

The Main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. *To carry on all or any of the businesses of manufacturer, processor, buyer, seller, importer, exporter, stockists, agent, representative, distributor, storer, warehouser of and dealer in Flexible packaging such as multi-layer film, co-extruded multi layer film, polyfilms, pouches, wrappings, wrappers, liners etc. made from HDPE, LDPE, LLDPE, PVC, Polypropylene, Polyethylene high density and low density, Polyester, any other plastic materials, paperboard, cardboard, card boards, gunny bags.*
2. *To carry on all or any of the businesses of manufacturers, processors, buyers, sellers, importers, exporters, contractors, suppliers, stockists, agents, representatives, engineers, designers, consultant, distributors, storer, warehousers of and dealers in any or all of the plastic items such as woven sacks, monofilament yarn, ropes, twines, chair cane, mats, household articles, plastic containers, furnitures, Industrial items, defence items, railway items and / or rubber goods manufactured through injection moulding process, blow moulding process, rotational moulding process, extrusion moulding process or any other process including the business of resins and moulding compound such as ABS, acetyl, acrylic, alkyd, cellulose acetate, C.A.B, cross linked thermoplastics, epoxy, melamine, nylon, polymica, polyethylene low density and high density, polypropylene, polycarbonate, polyester, polyurethane, PVC, UF, MF, PF, CPW, DOP, foamed plastics of all kinds, reinforced plastics and composites, chemicals, additives, filler and reinforcement and all other plastic materials of all kinds that may be in existence or may be developed in future.*

The main objects clause as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLE OF ASSOCIATION OF OUR COMPANY

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association and Article of Association:

Date of Amendment / Shareholders' resolution	Nature of Amendment
September 01, 2006	<i>Alteration in Capital Clause in MOA pursuant to increase in Authorized Share Capital from ₹ 51,00,000/- comprising 5,10,000 Equity Shares of ₹ 10/- each to ₹ 1,00,00,000/- comprising of 10,00,000 Equity Shares of ₹ 10/- each</i>
December 18, 2006	<i>Alteration in MOA & AOA consequent upon conversion from private limited to public limited company, name of our company was changed from Mega Flex Plastics Private Limited to Mega Flex Plastics Limited</i>
March 12, 2007	<i>Alteration in Capital Clause in MOA pursuant to increase in MOA pursuant to increase in Authorized Share Capital from ₹ 1,00,00,000/- comprising of 10,00,000 Equity Shares of ₹ 10/- each to ₹ 1,51,00,000/- comprising of 15,10,000 Equity Shares of ₹ 10/- each</i>
December 11, 2008	<i>Alteration in Capital Clause in MOA pursuant to increase in Authorized Share Capital from ₹ 1,51,00,000/- comprising of 15,10,000 Equity Shares of ₹ 10/- each to ₹ 1,75,00,000/- comprising of 17,50,000 Equity Shares of ₹ 10/- each</i>
September 10, 2011	<i>Alteration in Capital Clause in MOA pursuant to increase in Authorized Share Capital from ₹ 1,75,00,000/- comprising of 17,50,000 Equity Shares of ₹ 10/- each to ₹ 1,80,00,000/- comprising of 18,00,000 Equity Shares of ₹ 10/- each</i>
June 29, 2022	<i>Alteration in Capital Clause in MOA pursuant to increase in Authorized Share Capital from ₹ 1,80,00,000/- comprising of 18,00,000 Equity Shares of ₹ 10/- each to ₹ 11,00,00,000/- comprising of 1,10,00,000 Equity Shares of ₹ 10/- each</i>
July 11, 2022	<i>Alternation in Clause 60 of the Articles of Association of the Company</i>

CORPORATE PROFILE OF OUR COMPANY

Details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, distributors and customers, segment, capacity/facility creation, launch of key products, entry in new geographies, capacity built-up, location of manufacturing facilities, marketing and competition, please refer to the chapters titled "*Our Business*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 88, 115 and 169 respectively, of this Draft Prospectus.

MAJOR EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The table below sets forth some of the major events in the history of our Company:

<i>Year</i>	<i>Key Milestones</i>
2003	<ul style="list-style-type: none"> • <i>Incorporation of Company</i>
2006	<ul style="list-style-type: none"> • <i>Allotment of Factory land in Sudha Ras Food & Poly Park by WBIDC Limited</i> • <i>Commencement of Civil Construction</i>
2007	<ul style="list-style-type: none"> • <i>Converted into Public Limited Company</i> • <i>Registration of Factory Land</i> • <i>Commencement of Production</i>
2009	<ul style="list-style-type: none"> • <i>First export order executed (to Europe)</i> • <i>Capacity expansion- 17 looms added</i> • <i>Secured order from DGS&D for supply of woven sacks for packing of food grains</i>
2010	<ul style="list-style-type: none"> • <i>Capacity expansion- 3 looms added</i> • <i>Achieved production of 20 million bags in 2009-10</i>
2011	<ul style="list-style-type: none"> • <i>Capacity expansion- 6 looms added</i> • <i>Achieved production of 30 million bags in 2010-11</i>
2014	<ul style="list-style-type: none"> • <i>Achieved production of 40 million bags in 2003-14</i>
2015	<ul style="list-style-type: none"> • <i>Purchase of office premises at 4 Ho Chi Minh Sarani, Kolkata 700071</i>
2016	<ul style="list-style-type: none"> • <i>Installed additionally 1 loom</i>
2018	<ul style="list-style-type: none"> • <i>Installed additionally 6 looms</i> • <i>Achieved production of 50 million bags in 2017-18</i>
2019	<ul style="list-style-type: none"> • <i>Registered office shifted to own premises at 4 Ho Chi Minh Sarani, Kolkata 700071</i>

SIGNIFICANT FINANCIAL AND STRATEGIC PARTNERSHIPS

As on the date of this Draft Prospectus, our Company does not have any significant strategic or financial partners.

TIME/COST OVERRUN IN SETTING UP PROJECTS

As on the date of this Draft Prospectus, there has been no time and cost overruns in the Company.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/FACILITY CREATION OR LOCATION OF STORES

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation and location of stores, see '*Our Business*' and '*History and Certain Corporate Matters*' on pages 88 and 110.

DEFAULTS, RESCHEDULING OR RESTRUCTURING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

As on the date of this Draft Prospectus, there has been no default, rescheduling or restructuring of borrowings with financial institutions or banks.

DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS, ETC. IN THE LAST 10 YEARS

Except as mentioned in chapter *“History and Certain Corporate Matters”* beginning on page no. 110, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Prospectus.

HOLDING COMPANY

As on the date of this Draft Prospectus, our Company does not have a holding company.

JOINT VENTURES OF OUR COMPANY

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

SUBSIDIARIES OF OUR COMPANY

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

ASSOCIATES OF OUR COMPANY

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

DETAILS OF SHAREHOLDERS’ AGREEMENT

As on date of this Draft Prospectus, there are no subsisting shareholders’ agreements among our shareholders vis-à-vis our Company.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE

Neither our Promoters, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

OTHER MATERIAL AGREEMENTS

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business.

GUARANTEES GIVEN BY OUR PROMOTERS

Our Promoters have not given any guarantee to any third parties as on the date of this Draft Prospectus.

CAPITAL RAISING (DEBT / EQUITY)

Except as set out in the Sections titled ***“Capital Structure”*** and ***“Financial Indebtedness”*** beginning on page no 45 and 167 respectively of this Draft prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

INJUNCTION OR RESTRAINING ORDER

Nil

DETAILS REGARDING PAST PERFORMANCE OF THE COMPANY.

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to Section titled ***“Financial Statements as restated”*** beginning on page no. 140 of this Draft prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST TEN (10) YEARS

Except as mentioned in chapter ***“Our History and Certain Corporate Matters”*** beginning on page no. 110 there have been no changes in the activity of our Company during the last ten (10) years preceding as on the date of this Draft prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

SHAREHOLDERS OF OUR COMPANY

As on the date of this Draft Prospectus, our Company has 25 (Twenty-Five) shareholders. For further details in relation to the current shareholding pattern, please refer to Section titled ***“Capital Structure”*** beginning on page no. 45 of this Draft Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association, our Company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) Directors. Currently, our Company has 6 (Six) Directors on our Board. The detailed composition are as follows:

Sl. No.	Name of the Director	DIN	Current Designation	Date of Joining#
1	Mr. Mohan Lal Parakh	02186254	Chairman & Wholetime Director	23/05/2008
2	Mr. Hukum Chand Bothra	00550653	Managing Director	01/06/2004
3	Mr. Rakesh Sethia	00409033	Executive Director	18/11/2003
4	Mrs. Puja Daga	09594635	Independent Director	29/06/2022
5	Mr. Alok Kanodia	09594643	Independent Director	29/06/2022
6	Mrs. Aakriti Agarwal	09053941	Independent Director	29/06/2022

Original date of appointment as per MCA database.

The following table sets forth details regarding the Board of Directors as on the date of this draft prospectus:

Sl. No.	Particulars	Details
1	Name of the Director	Mr. Mohan Lal Parakh
	Father's Name	Mangi Lal Parakh
	Residential Address	1, Brindaban Garden, 98 Christopher Road, Kolkata - 700046, West Bengal, India
	Date of Birth	28-05-1945
	Age	77 Years
	Designation	Chairman & Wholetime Director
	DIN	02186254
	Occupation	Business
	Nationality	Indian
	Qualification	Matriculation
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	23-05-2008; Re-designated as Wholetime Director w.e.f. 01-12-2010 and re-appointed as such thereafter
	Terms of Appointment	5 Years as WTD w.e.f. 29-06-2022 till 28-06-2027; Liable to retire by rotation
	Directorship in other companies / Designated Partner in LLPs	1. Samta Packaging Pvt Ltd 2. White Saffron Grains LLP

Sl. No.	Particulars	Details
2	Name of the Director	Mr. Hukum Chand Bothra
	Father's Name	Khem Chand Bothra
	Residential Address	2 No, Ho Chi Minh Sarani, Flat-4B, Kolkata - 700071, West Bengal, India
	Date of Birth	06-02-1966
	Age	56 Years
	Designation	Managing Director
	DIN	00550653
	Occupation	Business
	Nationality	Indian
	Qualification	CA, B. Com
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	01-06-2004; Re-designated as MD w.e.f., 01-06-2022

Sl. No.	Particulars	Details
	Terms of Appointment	3 years as Managing Director and not liable to retire by rotation
	Directorship in other companies / Designated Partner in LLPs	<ol style="list-style-type: none"> 1. Samta Packaging Pvt Ltd 2. Inkbird Packaging Private Limited 3. Channel Plastics Private Limited 4. Agrani Finserv Advisors Private Limited 5. Carewell Nursing Home Private Limited 6. Deserve Vintrade LLP 7. Highland Barter LLP 8. White Saffron Grains LLP 9. Samta Paperpack LLP

Sl. No.	Particulars	Details
3	Name of the Director	Mr. Rakesh Sethia
	Father's Name	Anup Chand Sethia
	Residential Address	4, Ho Chi Minh Sarani, Flat-4C, Kolkata – 700071, West Bengal, India
	Date of Birth	14-09-1971
	Age	50 Years
	Designation	Executive Director
	DIN	00409033
	Occupation	Business
	Nationality	Indian
	Qualification	CA, B. Com (Hons.)
	No. of Years of Experience	Please refer “Brief Biographies of Directors” as mentioned below
	Date of Appointment	18-11-2003
	Terms of Appointment	Liable to be retire by rotation
	Directorship in other companies / Designated Partner in LLPs	<ol style="list-style-type: none"> 1. Samta Plastics Pvt Ltd 2. Nezone Herbals Private Limited 3. Samta Polymers Limited 4. Channel Plastics Private Limited 5. Aumner Infra LLP 6. White Saffron Grains LLP 7. Aumner Marketing LLP 8. Samta Paperpack LLP

Sl. No.	Particulars	Details
4	Name of the Director	Mrs. Puja Daga
	Father's Name	Jaichand Lal Lunia
	Residential Address	AD-78, 1st Floor, Near Tank no-3, Sector-I, Salt Lake City, Kolkata - 700064, West Bengal, India
	Date of Birth	14-10-1975
	Age	46 Years
	Designation	Independent Director
	DIN	09594635
	Occupation	Business
	Nationality	Indian
	Qualification	CA

Sl. No.	Particulars	Details
	No. of Years of Experience	Please refer “Brief Biographies of Directors” as mentioned below
	Date of Appointment	29-06-2022
	Terms of Appointment	Till 5 Years up to 28-05-2022 and not liable to retire by rotation
	Directorship in other companies / Designated Partner in LLPs	Nil

Sl. No.	Particulars	Details
5	Name of the Director	Mr. Alok Kanodia
	Father’s Name	Bholanath Kanodia
	Residential Address	146, Block-A, Bangur Avenue, North 24 Parganas, Kolkata - 700055, West Bengal, India
	Date of Birth	05-02-1971
	Age	51 Years
	Designation	Independent Director
	DIN	09594643
	Occupation	Service
	Nationality	Indian
	Qualification	Graduate
	No. of Years of Experience	Please refer “Brief Biographies of Directors” as mentioned below
	Date of Appointment	29-06-2022
	Terms of Appointment	Till 5 Years up to 28-05-2022 and not liable to retire by rotation
	Directorship in other companies / Designated Partner in LLPs	Nil

Sl. No.	Particulars	Details
6	Name of the Director	Mrs. Aakriti Agarwal
	Father’s Name	Kamal Kumar Palriwal
	Residential Address	4, Ho Chi Minh Sarani, Kolkata - 700071, West Bengal, India
	Date of Birth	24-10-1993
	Age	28 Years
	Designation	Independent Director
	DIN	09053941
	Occupation	Service
	Nationality	Indian
	Qualification	CA, CS and B. Com
	No. of Years of Experience	Please refer “Brief Biographies of Directors” as mentioned below
	Date of Appointment	29-06-2022
	Terms of Appointment	Till 5 Years up to 28-05-2022 and not liable to retire by rotation
	Directorship in other companies / Designated Partner in LLPs	Nil

BRIEF BIOGRAPHIES OF THE DIRECTORS:

1. **Mr. Mohan Lal Parakh**, aged about 77 years, is the Promoter, Chairman and Wholetime Director of our company. His career spans about 6 decades. He has been involved in widely diverse industries, namely, plastic processing, oil milling, hosiery, food processing, foundry etc. In the process he has acquired deep knowledge of engineering and technology. His long experience and sound knowledge have been pivotal for growth and progress of the company. He plays pivotal role in strategic decision making, identifying and implementing technology, maintaining full efficiency of plant & machineries, continuous improvement of product quality etc.
2. **Mr. Hukum Chand Bothra**, aged about 56 years, is Promoter cum Managing Director of our Company. He is associated with the Company for a very long time and is among one of the faces who lead the company to its current glory. He is a qualified Chartered Account and holds a Bachelor's Degree in Commerce from University of Burdwan. He has three decades of experience in plastic and paper packaging industries. He manages day to day operations of our company.
3. **Mr. Rakesh Sethia**, aged about 50 years, is the Promoter cum Executive Director of our Company. He is the son of Late Anup Chand Sethia who was founder of our Company. He is a member of the Institute of Chartered Accountants of India and holds a Bachelor's Degree in Commerce from University of Calcutta. He comes from a business family and his career, spanning almost three decades is jewelled with continuous expansion and diversification of his family business to the areas of Plastic Goods, manufacturing of Leno Bags, Rigid Plastic Containers and Card Board Box, Warehousing etc. In this process, he has acquired sound experience in manufacturing, financial and marketing strategy etc. He has special penchant for identifying newer growth areas and for updating himself of newer products and technologies.
4. **Mrs. Puja Daga**, aged about 46 years, is the non-executive independent director of our Company. She is a fellow member of The Institute of Chartered Accountants of India. She has also completed her post qualification course in Information System Audit (ISA) from The Institute of Chartered Accountants of India. She has over 23 years of vast experience in the field of Accountancy, Audit, & Income Tax. She is associated with the firm M/s D N Dokania & Associates as a partner since last 20 years. She is also associated with the firm M/s. P Daga & Associates as proprietor since last 5 years. She was a visiting faculty with The Institute of Chartered Accountants of India in their Orientation & GMCS program. As the independent director of our company, she will be instrumental in providing her expertise & inputs for providing the growth of the Company.
5. **Mr. Alok Kanodia**, aged about 51 years, is the non-executive independent director of our Company. He is a finance professional specialising in capital markets for over 30 years in Kolkata. Having rich experience in dealing and marketing of various financial products to Corporates and High net worth individuals. Started career in family stockbroking firm and eventually working for premier banks of India and UK such as Kotak Mahindra and Barclays in their wealth management, equity advisory and broking and portfolio management divisions, a new concept that has gained ground over the past decade and exploding with humungous growth with each passing day. Absolute believer in power of knowledge, have regularly attended various regulatory courses, seminars by NSE, BSE. He is a firm believer in India's long term success story which is only beginning to unfold and provides unlimited opportunities for entrepreneurs, investors to create sustainable wealth, prosperity in years ahead.
6. **Mrs. Aakriti Agarwal**, aged about 28 years, is a non-executive Independent Director of our company. She is a member of the Institute of Chartered Accountants of India. Along with holding a Bachelor's degree in Commerce from St. Xavier's College, Kolkata, she has also passed Professional examination of Institute of Company Secretaries of India. She has done her schooling from The Heritage School of Kolkata. During her academics, she was an outstanding performer. She was associated with HSBC Electronic Data Processing India Private Limited till 2020 and was involved in various financial activities. Currently she is associated with Bengal Paper and Box Hospitality Services Private Limited along with our Company.

FAMILY RELATIONSHIPS BETWEEN THE DIRECTORS

None of the directors of our Company have family relationship except for Mr. Rakesh Sethia and Mr. Hukum Chand Bothra who are cousins.

ARRANGEMENTS WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a Senior Management as on the date of this draft prospectus.

SERVICE CONTRACTS

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES WHOSE SHARES HAVE BEEN/WERE SUSPENDED FROM BEING TRADED ON ANY OF THE STOCK EXCHANGE DURING HIS/HER TENORS FOR A PERIOD BEGINNING FROM FIVE (5) YEARS PRIOR TO THE DATE OF THIS DRAFT PROSPECTUS

None of the Directors are/were directors of any company whose shares were suspended from being trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years or to the extent applicable.

DIRECTOR'S ASSOCIATION WITH THE SECURITIES MARKET

None of the Directors of our Company are associated with securities market.

COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES THAT HAVE BEEN/WERE DELISTED FROM STOCK EXCHANGES IN INDIA

None of the Directors are/were directors of any entity whose shares were delisted from any Stock Exchange(s). Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

BORROWING POWERS OF THE BOARD

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The Board of Director vide the special resolution passed at their Extra Ordinary General Meeting dated June 29, 2022, allowed to borrow and that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 75.00 crores.

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 EMERGE Platform of NSE. 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 EMERGE Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the EMERGE Platform of NSE.

REMUNERATION TO EXECUTIVE DIRECTORS

The compensation payable to Executive 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 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).

PAYMENT OR BENEFIT TO NON-EXECUTIVE DIRECTORS OF OUR COMPANY

Apart from the remuneration to Executive Directors, if any as provided, our Non-Executive Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the Rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

THE DETAILS OF THE SHAREHOLDING OF OUR DIRECTORS AS ON THE DATE OF THIS DRAFT PROSPECTUS ARE AS FOLLOWS:

Sl. No.	Name of the Director Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Mohan Lal Parakh	2,25,000	2.85%	2.09%
2	Hukum Chand Bothra	2,03,400	2.58%	1.89%
3	Rakesh Sethia	4,41,900	5.60%	4.11%
	Total	8,70,300	11.02%	8.10%

INTEREST OF OUR DIRECTORS

Our Directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to section titled ***“Our Promoters and Promoter Group”*** beginning on page no. 128 of this draft prospectus.

Further, none of our Directors have any interest in any property acquired by our Company within two (2) years of the date of this draft prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section ***“Shareholding of Directors in our Company”*** above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as stated above and except as stated in the sections titled ***“Financial Information as Restated”*** and ***“Our Promoters and Promoter Group”*** beginning on pages 140 and 128 respectively of this draft prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our directors have been appointed to a place or office of profit in our Company other than mentioned elsewhere in the Draft prospectus. For further details, please refer to section titled ***“Our Management”*** beginning on page 115 of this draft prospectus.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Entities of our Company.

Our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section ***“Our Management”*** or the section titled ***“Financial Information – Related Party Transactions”*** beginning on page no 115 and 165 respectively of this draft prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

CHANGES IN THE BOARD OF DIRECTORS OF OUR COMPANY IN THE LAST THREE (3) YEARS OR TO THE EXTENT APPLICABLE ARE AS FOLLOWS:

Name of Director	Date of appointment	Date of Change of Designation / Re-appointment	Date of cessation	Reason
Hukum Chand Bothra	01/06/2004	01/06/2022	-	Designation changed to Managing Director
Mohan Lal Parakh*	23/05/2008	29/06/2022	-	Re-appointed as Wholetime Director
Aakriti Agarwal	29/06/2022	-	-	Appointed as Independent Director
Puja Daga	29/06/2022	-	-	Appointed as Independent Director
Alok Kanodia	29/06/2022	-	-	Appointed as Independent Director

*The re-appointment as Wholetime Director was done vide a special resolution in the Extraordinary General Meeting of the Shareholders on 29th June, 2022.

OTHER CONFIRMATIONS:

- None of our Directors are on the RBI List of wilful defaulters or fraudulent borrowers as on the date of this draft prospectus.
- None of our Promoters or Directors of our Company are a fugitive economic offender.
- Further, none of our directors are or were directors of any listed company whose shares.
 - (a) have been or were suspended from trading on any of the stock exchanges during the five years prior to the date of filing this draft prospectus or.
 - (b) delisted from the stock exchanges.
- None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence etc. except as mentioned in this Draft Prospectus.

CORPORATE GOVERNANCE

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of 6 (Six) Directors (including two woman Independent Director).

Sl. No.	Name of the Director	DIN	Designation
1	Mr. Mohan Lal Parakh	02186254	Chairman & Wholetime Director
2	Mr. Hukum Chand Bothra	00550653	Managing Director
3	Mr. Rakesh Sethia	00409033	Whole Time Director
4	Mrs. Puja Daga	09594635	Independent Director
5	Mr. Alok Kanodia	09594643	Independent Director
6	Mrs. Aakriti Agarwal	09053941	Independent Director

COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

❖ **Audit Committee**

As per section 177 of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated July 08, 2022. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Mrs. Puja Daga	Chairperson	Independent Director
Mr. Alok Kanodia	Member	Independent Director
Mrs. Aakriti Agarwal	Member	Independent Director
Mr. Rakesh Sethia	Member	Executive Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

Powers of Audit Committee: The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee: The role of the Audit Committee shall include the following:

- oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 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, 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 quarterly financial statements before submission to the board for approval;
- 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 draft prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- monitoring the end use of funds raised through public offers and related matters.
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the draft prospectus/notice in terms of Regulation 32(7).

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

❖ **Stakeholders' Relationship Committee**

As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated July 08, 2022. The Stakeholders' Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Mrs. Puja Daga	Chairperson	Independent Director
Mr. Hukum Chand Bothra	Member	Managing Director
Mr. Rakesh Sethia	Member	Executive Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

Role of the Stakeholders Relationship Committee

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

As required under Regulation 20 of the SEBI (LODR) Regulations, the Stakeholders' Relationship Committee shall meet at least once in a year.

❖ **Nomination and Remuneration Committee**

As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated July 08, 2022. The Nomination and Remuneration Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Mrs. Puja Daga	Chairman	Independent Director
Mr. Alok Kanodia	Member	Independent Director
Mrs. Aakriti Agarwal	Member	Independent Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

Role of the Nomination and Remuneration Committee

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

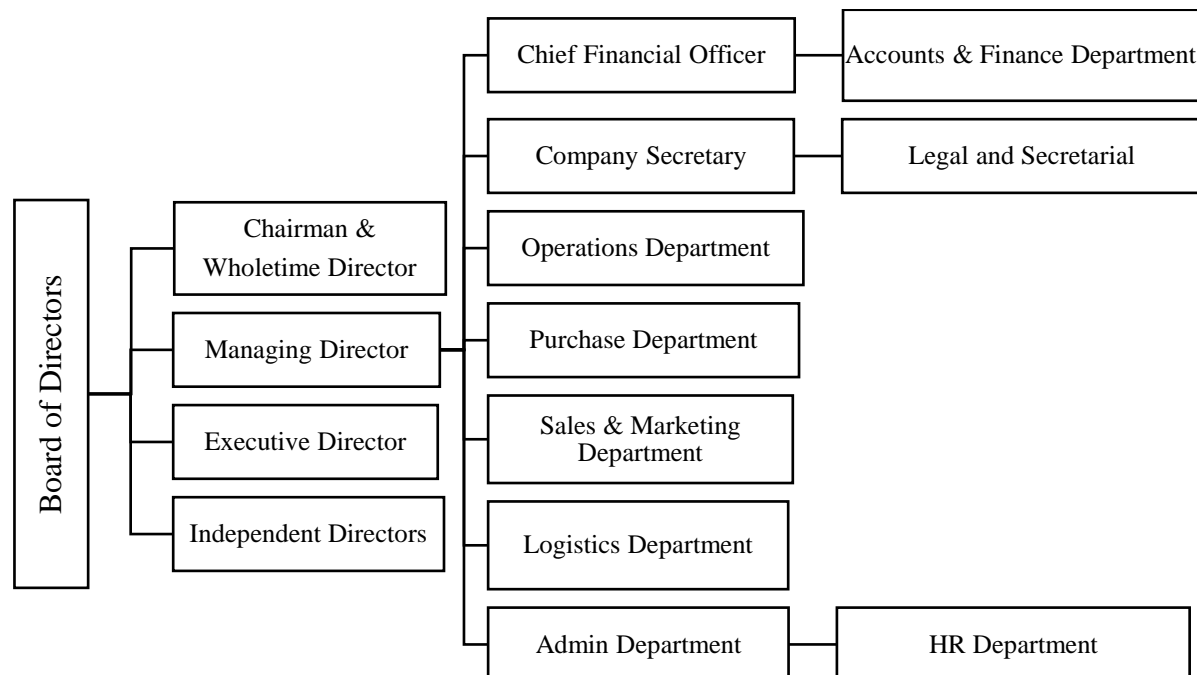
Set forth below are the role of our Nomination and Remuneration Committee.

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.

❖ **Corporate Social Responsibility Committee:**

As per section 135 (1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

The Corporate Social Responsibility committee is not applicable to our company till the date of this draft prospectus. We will comply with the requirement as and when the CSR is applicable to us.

MANAGEMENT ORGANIZATIONAL STRUCTURE:**OUR KEY MANAGERIAL PERSONNEL**

The details of the Key Managerial Personnel as on the date of this draft prospectus are set out below. All the Key Managerial Personnel are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Mr. Mohan Lal Parakh**, Chairman & Wholtime Director, for details please refer section titled “Our Management” beginning at page no 115 of this Draft Prospectus.
2. **Mr. Hukum Chand Bothra**, Managing Director, for details please refer section titled “Our Management” beginning at page no 115 of this Draft Prospectus.
3. **Mr. Sanjay Kumar Singh**, aged about 45 years, is the Chief Financial Officer of our Company. Prior to joining our group, he worked for 5 years in a firm of Chartered Accountants. Mr Singh is associated with our group from 1999 as group accounts officer. In this process, he has also acquired sound knowledge in banking, finance, direct & indirect taxation and various other business statutes.
4. **Mrs. Parul Mantri**, aged about 32 years, is the Company Secretary of our Company. She is an associate member of the Institute of Company Secretaries of India. She completed her management training as required under the Company Secretaries Act, 1980 and rules made thereunder from Arun Kumar Khandelia, Company Secretaries. Prior to joining our Company, she was working for a well reputed Company and while working there she acquired financial and secretarial skills which are very useful for our Company.

STATUS OF KEY MANAGEMENT PERSONNEL IN OUR COMPANY

All our key managerial personnel are permanent employees of our Company.

SHAREHOLDING OF KEY MANAGEMENT PERSONNEL IN OUR COMPANY

The details of the shareholding of our Key Management Personnel as on the date of this draft prospectus are as follows: -

Sl. No.	Name of the Director Shareholder	Designation	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Mohan Lal Parakh	Chairman & Wholetime Director	2,25,000	2.85%	2.09%
2	Hukum Chand Bothra	Managing Director	2,03,400	2.58%	1.89%

BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company does not have a performance linked bonus or a profit-sharing plan for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel of our Company.

INTERESTS OF KEY MANAGEMENT PERSONNEL

Except as mentioned above in this draft prospectus, the Key Management Personnel do not have any interest in our Company, other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except as disclosed in this draft prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled ***"Financial Information as Restated"*** beginning on page no 140 of this draft prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

RELATIONSHIP AMONGST THE KEY MANAGERIAL PERSONNEL OF OUR COMPANY

There is no family relationship amongst the Key Managerial Personnel of our Company.

RELATIONSHIP BETWEEN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

There are no family relationships between the Directors and Key Managerial Personnel of our Company other than mentioned elsewhere in the Draft prospectus.

ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/CUSTOMERS/ SUPPLIERS

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

DETAILS OF SERVICE CONTRACTS OF THE KEY MANAGERIAL PERSONNEL

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

EMPLOYEE STOCK OPTION OR EMPLOYEE STOCK PURCHASE

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this draft prospectus.

LOANS AVAILED BY DIRECTORS / KEY MANAGERIAL PERSONNEL OF OUR COMPANY

None of the Directors or Key Managerial Personnels have availed loan from our Company which is outstanding as on the date of this draft prospectus.

CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE (3) YEARS

The changes in the Key Managerial Personnel of our Company in the last three (3) years are as follows:

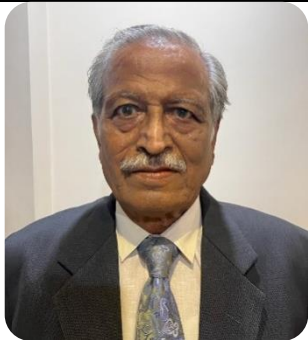
Name of the Key Managerial Personnel	Date of appointment	Date of cessation	Reason
Mr. Hukum Chand Bothra	01/06/2022	--	Designation changed to Managing Director
Mr. Sanjay Kumar Singh	01/06/2022	--	Appointed as CFO
Mr. Mohan Lal Parakh	29/06/2022	--	Re-appointed as Wholetime Director
Mrs. Parul Mantri	08/07/2022	--	Appointed as Company Secretary


OUR PROMOTERS AND PROMOTER GROUP

1. Our Promoters:


Our Promoters are (i) M/s. Channel Plastics Private Limited, (ii) Mr. Rakesh Sethia, (iii) Mr. Mohan Lal Parakh and (ii) Mr. Hukum Chand Bothra. As on the date of this draft prospectus, our Promoters jointly hold 34,83,000 Equity Shares which in aggregate, almost constitutes 44.12% of the pre issued paid-up Equity Share capital of our Company.

(i) Details of Individual Promoters of our Company

	Mr. Mohan Lal Parakh , aged 77 years, is the Promoter, Chairman and Wholetime Director of the company. For further personal details, please also refer to section titled “Our Management” and “Group Entities of our Company” beginning on page 115 and 134 respectively of this draft prospectus.
Name of Promoter	Mohan Lal Parakh
Father’s Name	Mangi Lal Parakh
Date of Birth	28-05-1945
Age	77 Years
Qualification	Matriculation
Occupation	Business
Nationality	Indian
Address	1, Brindaban Garden, 98 Christopher Road, Kolkata - 700046, West Bengal, India
DIN	02186254
Directorship in other companies / Designated Partner in LLPs	1. Samta Packaging Pvt Ltd 2. White Saffron Grains LLP

	Mr. Hukum Chand Bothra , aged 56 years, is the Promoter and Managing Director of the company. For further personal details, please also refer to section titled “Our Management” and “Group Entities of our Company” beginning on page 115 and 134 respectively of this draft prospectus.
Name of Promoter	Hukum Chand Bothra
Father’s Name	Khem Chand Bothra
Date of Birth	06-02-1966
Age	56 Years
Qualification	CA, B. Com
Occupation	Business
Nationality	Indian
Address	2 No, Ho Chi Minh Sarani, Flat-4B, Kolkata - 700071, West Bengal, India
DIN	00550653
Directorship in other companies / Designated Partner in LLPs	1. Samta Packaging Pvt Ltd 2. Inkbird Packaging Private Limited 3. Channel Plastics Private Limited

	4. Agrani Finserv Advisors Private Limited 5. Carewell Nursing Home Private Limited 6. Deserve Vintrade LLP 7. Highland Barter LLP 8. White Saffron Grains LLP 9. Samta Paperpack LLP
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	<p>Mr. Rakesh Sethia, aged 50 years, is the Promoter and Executive Director of the company. For further personal details, please also refer to section titled “Our Management” and “Group Entities of our Company” beginning on page 115 and 134 respectively of this draft prospectus.</p>
Name of Promoter	Rakesh Sethia
Father’s Name	Anup Chand Sethia
Date of Birth	14-09-1971
Age	50 years
Qualification	CA, B. Com
Occupation	Business
Nationality	Indian
Address	4, Ho Chi Minh Sarani, Flat-4C, Kolkata - 700071, West Bengal, India
DIN	00409033
Directorship in other companies / Designated Partner in LLPs	1. Samta Plastics Pvt Ltd 2. Nezone Herbals Private Limited 3. Samta Polymers Limited 4. Channel Plastics Private Limited 5. Aumner Infra LLP 6. White Saffron Grains LLP 7. Aumner Marketing LLP 8. Samta Paperpack LLP

Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport number, Aadhaar card number and driving license number of our Promoters to NSE separately at the time of filing the draft prospectus.

(ii) Details of Body Corporate Promoters of our Company:

PARTICULARS	DETAILS
Name of Promoter Company	Channel Plastics Private Limited
Date of Incorporation	11-04-1989
CIN	U45201WB1989PTC046675
Registered Office	4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata – 700071, West Bengal, India
Class of Company	Non-Governmental Private Limited Company
Business Activity	The Company is engaged in manufacturing of Plastic Containers of various sizes for Paints, Lubricants, Greases etc.

PARTICULARS	DETAILS																																								
Board of Directors	<div>1. Rakesh Sethia (DIN: 00409033)</div> <div>2. Hukum Chand Bothra (DIN: 00550653)</div>																																								
Shareholding	<div>The Authorised share capital of the Company is Rs. 2,00,00,000 divided into 7,00,000 Equity Shares of Rs. 10/- each and 1,30,000 1% Non-Cumulative Convertible Preference Shares of Rs. 100/- each.</div> <div>The Paid-up Capital is Rs. 29,60,940/- comprising of 2,96,094 equity shares of Rs. 10/- each.</div> <div>Promoters</div> <table><thead><tr><th>Sl. No.</th><th>Name of Promoters</th><th>No. of Shares</th><th>% of Shareholding</th></tr></thead><tbody><tr><td>1</td><td>Samta Plastics Pvt Ltd</td><td>1,15,700</td><td>39.08%</td></tr><tr><td>2</td><td>Pragatisheel Commercial LLP</td><td>70,000</td><td>23.64%</td></tr><tr><td>3</td><td>Rakesh Sethia</td><td>32,700</td><td>11.04%</td></tr><tr><td>4</td><td>Nezone Herbals Pvt Ltd</td><td>25,114</td><td>8.48%</td></tr><tr><td>5</td><td>Anup Ch. Sethia H.U.F.</td><td>25,000</td><td>8.44%</td></tr><tr><td>6</td><td>Usha Sethia</td><td>19,480</td><td>6.58%</td></tr><tr><td>7</td><td>Nilima Sethia</td><td>8,000</td><td>2.70%</td></tr><tr><td>8</td><td>Hukum Chand Bothra</td><td>100</td><td>0.03%</td></tr><tr><td colspan="2">Total</td><td>2,96,094</td><td>100.00%</td></tr></tbody></table> <div>Note: The Company has made reduction of share capital pursuant to buy-back of 98,686 Equity Shares vide a special resolution dated February 01, 2022. The relevant forms have been filed with the RoC, Kolkata. However, the effect is yet to be updated in MCA database.</div>	Sl. No.	Name of Promoters	No. of Shares	% of Shareholding	1	Samta Plastics Pvt Ltd	1,15,700	39.08%	2	Pragatisheel Commercial LLP	70,000	23.64%	3	Rakesh Sethia	32,700	11.04%	4	Nezone Herbals Pvt Ltd	25,114	8.48%	5	Anup Ch. Sethia H.U.F.	25,000	8.44%	6	Usha Sethia	19,480	6.58%	7	Nilima Sethia	8,000	2.70%	8	Hukum Chand Bothra	100	0.03%	Total		2,96,094	100.00%
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8	Hukum Chand Bothra	100	0.03%																																						
Total		2,96,094	100.00%																																						
Brief History	M/s. Channel Plastics Private Limited was originally incorporated as a Private Limited Company in the name of “Samta Holdings Private Limited” on April 11, 1989 by Anup Chand Sethia, Usha Sethia and Sashikala Sethia by subscribing 100 shares each under the provisions of the Companies Act, 1956 under the jurisdiction of the Registrar of Companies – West Bengal. Subsequently, name of the Company was changed to “Channel Plastics Private Limited” under the jurisdiction of the Registrar of Companies, West Bengal pursuant to fresh certificate of incorporation dated April 13, 2000 under the provisions of the Companies Act, 1956.																																								
Key Financial Highlights	<div>Audited Financial Information (in ₹)</div> <table><thead><tr><th>Particulars</th><th>FY 2020-21</th><th>FY 2019-20</th><th>FY 2018-19</th></tr></thead><tbody><tr><td>Share Capital</td><td>39,47,800</td><td>39,47,800</td><td>39,47,800</td></tr><tr><td>Reserves and Surplus</td><td>6,68,10,179</td><td>6,06,83,679</td><td>5,68,68,705</td></tr><tr><td>Net worth</td><td>7,07,57,979</td><td>6,46,31,479</td><td>6,08,16,505</td></tr><tr><td>Total Revenue</td><td>11,26,06,698</td><td>12,18,81,655</td><td>13,98,72,985</td></tr><tr><td>Profit/(Loss) after tax</td><td>61,26,501</td><td>38,14,974</td><td>40,79,805</td></tr><tr><td>Earnings per share (face value of ₹ 10/- each)</td><td>15.52</td><td>11.75</td><td>12.56</td></tr><tr><td>Net asset value per share (₹)</td><td>179.23</td><td>163.72</td><td>154.05</td></tr></tbody></table>	Particulars	FY 2020-21	FY 2019-20	FY 2018-19	Share Capital	39,47,800	39,47,800	39,47,800	Reserves and Surplus	6,68,10,179	6,06,83,679	5,68,68,705	Net worth	7,07,57,979	6,46,31,479	6,08,16,505	Total Revenue	11,26,06,698	12,18,81,655	13,98,72,985	Profit/(Loss) after tax	61,26,501	38,14,974	40,79,805	Earnings per share (face value of ₹ 10/- each)	15.52	11.75	12.56	Net asset value per share (₹)	179.23	163.72	154.05								
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Our Company confirms that it will submit the details of the PAN, Bank Account Number and Company Registration Number or equivalent of our Promoter and the address of the Registrar of Companies, Kolkata with which the promoter is registered, to NSE separately at the time of filing the draft prospectus.

OTHER INFORMATION RELATED TO OUR COMPANY***Interests of our Promoters:***

Our Promoters are interested in our Company to the extent of their respective Equity shareholding in our Company and any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoters' shareholding, please refer to section titled "**Capital Structure**" beginning on page 45 of this draft prospectus. Further, our promoters may also be interested to the extent they are Directors on our Board. For further information on remuneration to the Executive Directors, please refer to section titled "**Our Management**" beginning on page 115 of this draft prospectus.

Except as disclosed in this draft prospectus, our Promoters have not entered into any contract, agreements or arrangements in which our Promoters 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 including the properties purchased by our Company other than in the normal course of business.

None of our Promoters or Group Entities have any interest in any property acquired by our Company within two (2) years of the date of this draft prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

Interest of Promoters in Sales and Purchases:

There are no sales/purchases between our Company and our Group Entity other than as stated in the section titled "**Financial Information - Related Party Transactions**" beginning on page no. 165 of this draft prospectus.

Confirmations:

Our Company hereby confirms that:

- None of our Promoters or Directors have been declared as a wilful defaulter or fraudulent borrower or is a fugitive economic offender.
- Neither our Company nor our Promoters, Promoter Group and Directors our Company are debarred from accessing the Capital Market by SEBI
- None of the promoters or directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

Payment or benefits to the Promoters in the last two (2) years:

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to section titled "**Financial Information - Related Party Transactions**" beginning on page no. 165 of this draft prospectus.

Disassociation by the Promoters from entities in last three (3) years:

Except as mentioned in the table hereunder, there are no promoters who have disassociated from any of the entity in the last 3 years.

(i) Mr. Rakesh Sethia

CIN	Name of the Entity	Designation	Date of Disassociation
U15122WB2013PTC198098	White Saffron Grains Private Limited	Director	29-08-2019
U25200WB2012PTC175423	Inkbird Packaging Private Limited	Director	06-02-2020
U52100WB2009PTC132575	Pragatisheel Commercial Private Limited	Director	13-01-2021

(ii) Mr. Hukum Chand Bothra

CIN	Name of the Entity	Designation	Date of Disassociation
U15122WB2013PTC198098	White Saffron Grains Private Limited	Director	29-08-2019

Litigation details pertaining to our Promoters:

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled "**Outstanding Litigations and Material Developments**" beginning on page no. 176 of this draft prospectus.

1. Our Promoter Groups:

In compliance with SEBI Guideline, “**Promoter Group**” pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

A) Natural persons forming part of Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Relationship	Name of the Promoters		
	Rakesh Sethia	Mohan Lal Parakh	Hukum Chand Bothra
Father	Late Anup Chand Sethia	Late Mangi Lal Parakh	Khem Chand Bothra
Mother	Usha Sethia	Late Dhanna Devi Parakh	Late Jamuna Devi Bothra
Spouse	Nilima Sethia	Sarda Devi Parakh	Preeti Bothra
Brother	-	Magan Lal Parakh, Ratan Lal Parakh Bimal Kumar Parakh	Tara Chand Bothra Rajesh Bothra
Sister	-	Jaimala Daga, Late Nirmala Bothra, Late Jaikumari Bachawat	-
Son	Evantum Sethia	Sunil Parakh Dheeraj Parakh	-
Daughter	Mishika Sethia	Shilpa Jain, Hema Nahata Sharmila Jain	Diksha Chopra Mohini Bothra
Spouse's Father	Late Anup Chand Bucha	Late Kastur Chand Bothra	Golap Chand Surana
Spouse's Mother	Kiran Devi Bucha	Late Amrao Bothra	Neeta Surana
Spouse's Brothers	Kanak Kumar Bucha, Santosh Kumar Bucha Ravi Bucha	Late Motilal Bothra, Late Dalchand Bothra, Late Pukhraj Bothra, Shantilal Bothra, Ashok Kumar Bothra, Kamal Kumar Bothra, Prakash Bothra	Hrithik Golap Surana
Spouse's Sisters	Kanta Kankaria & Sunita Bhura	Kusum Sethia, Renu Patwa, Kamla Bhansali	Anurita Bhura, Seema Surana Rachna Bardia

*NA means Not Applicable

B) Entities forming part of Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

Limited Company

- Samta Polymers Limited

Private Limited Company

- Samta Plastics Private Limited
- Nezone Herbals Private Limited
- Samta Packaging Private Limited
- Nanesh Cold Storage Private Limited
- Crossland Services Private Limited
- Agrani Finserv Advisors Private Limited

Limited Liability Partnership

- Pragatisheel Commercial LLP
- White Saffron Grains LLP
- Aumner Infra LLP
- Aumner Marketing LLP
- Samta Paperpack LLP
- Deserve Vintrade LLP
- Highland Barter LLP
- EM Infracon LLP

Hindu Undivided Family

- Anup Chand Sethia & Others HUF
- Hukum Chand Bothra-HUF
- Khem Chand Bothra (HUF)
- Rakesh Sethia & Sons (HUF)
- Tara Chand Bothra (HUF)
- Rajesh Bothra-HUF

Trust

- Evantum Sethia Benefit Trust
- Mishika Sethia Benefit Trust
- Anup Chand Sethia Foundation

C) All persons whose shareholding is aggregated pursuant to Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations for the purpose of disclosing in the Prospectus under the heading "shareholding of the promoter group":

- Usha Sethia
- Tara Chand Bothra
- Khem Chand Bothra
- Nilima Sethia
- Sangeeta Bothra
- Dimpal Bothra
- Sarda Devi Parakh
- Rajesh Bothra
- Preeti Bothra

GROUP ENTITIES OF OUR COMPANY

In compliance with SEBI Guideline, “*Group Companies/Entities*” pursuant to the regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018, shall include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Based on the above, the **Nanesh Cold Storage Private Limited**, **Nezone Herbals Private Limited**, **Inkbird Packaging Private Limited** and **White Saffron Grains LLP** are considered as Group Entities of our Company (Companies which are no longer associated with our Company have not been disclosed as Group Companies.): -

The brief details are as under:

The brief details are as under:

Name of the Company	M/s. Nanesh Cold Storage Private Limited		
Category	Company limited by Shares		
Class	Unlisted Private Company		
Name of Director	1. Indranil Sarkar (DIN: 01908506) 2. Rajesh Singh (DIN: 02006916) 3. Rajesh Bothra (DIN: 02542413)		
Brief Description and nature of activity or Business	The Company is engaged in Trading of Leno Bags.		
Date of Incorporation	22-05-2003		
CIN	U63022WB2003PTC096241		
PAN	AABCN8501B		
Registered Office Address	14/1C, Jainuddin Mistry Lane, Ground Floor, New Alipore, Kolkata – 700027, West Bengal, India		
Audited Financial Information (in ₹)			
Particulars	FY 2020-21	FY 2019-20	FY 2018-19
Share Capital	3,00,000	3,00,000	3,00,000
Reserves and Surplus	43,87,304	43,55,079	41,75,991
Net worth	46,87,304	46,55,079	44,75,991
Total Revenue	2,49,71,821	2,37,23,576	2,52,25,527
Profit/(Loss) after tax	32,226	1,79,088	7,69,736
Earnings per share (face value of ₹ 10/- each)	1.07	5.97	25.66
Net asset value per share (₹)	156.24	155.17	149.20

Shareholding Pattern of Nanesh Cold Storage Private Limited: (Face value of Rs. 10/- each)

Sl. No.	Name of Shareholders	No of Equity Shares held	In %
1	Samta Plastics Pvt Ltd	5,900	19.67
2	Channel Plastics Pvt Ltd	5,000	16.67
3	Khem Chand Bothra	5,000	16.67
4	Pragatisheel Commercial LLP	4,100	13.67
5	Rakesh Sethia	2,800	9.33
6	Hukum Chand Bothra	2,000	6.67
7	Jamuna Devi Bothra (Rajesh Bothra)	2,000	6.67
8	Usha Sethia	2,000	6.67
9	Evantum Sethia Benefit Trust	600	2.00
10	Mishika Sethia Benefit Trust	600	2.00
Total		30,000	100.00

Name of the Company	M/s. Nezone Herbals Private Limited		
Category	Company limited by Shares		
Class	Unlisted Private Company		
Name of Director	1. Ms. Nilima Sethia (DIN: 00402545) 2. Mr. Rakesh Sethia (DIN: 00409033) 3. Mr. Rajesh Kumar Ghorawat (DIN: 03273325)		
Brief Description and nature of activity or Business	The Company is engaged in the business of rental of warehouse in Sudha Ras Food Park, Howrah		
Date of Incorporation	11/10/2000		
CIN	U24239WB2000PTC092507		
PAN	AABCN4599F		
Registered Office Address	4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata – 700071, West Bengal, India		
Audited Financial Information (in ₹)			
Particulars	FY 2020-21	FY 2019-20	FY 2018-19
Share Capital	20,64,000	20,64,000	20,64,000
Reserves and Surplus	9,45,90,170	7,10,57,502	5,72,72,332
Net worth	9,66,54,170	7,31,21,502	5,93,36,332
Total Revenue	2,05,66,337	2,06,22,789	2,03,42,308
Profit/(Loss) after tax	1,00,75,856	1,32,76,449	1,32,05,247
Earnings per share (face value of ₹ 10/- each)	54.06	71.23	70.84
Net asset value per share (₹)	468.29	354.27	287.48

Shareholding Pattern of Nezone Herbals Private Limited: (Equity Shares of Face value of Rs. 10/- each)

Sl. No.	Name of Shareholders	No of Equity Shares held	In %
1	Samta Plastics Pvt Ltd	37,000	26.09
2	Pragatisheel Commercial LLP	37,000	26.09
3	Rakesh Sethia	30,090	21.22
4	Nilima Sethia	22,200	15.66
5	Usha Sethia	8,000	5.64
6	Samta Polymers Ltd	7,500	5.29
7	Evantum Sethia Benefit Trust	10	0.01
	Total	1,41,800*	100.00

* The Company has made a reduction of share capital pursuant to buy back of 46,600 Equity Shares vide a special resolution dated December 08, 2021. All the relevant forms have been filed with the jurisdictional Registrar of Companies in this regard. However, the reduction of paid-up share capital is yet to be reflected in MCA database.

Shareholding Pattern of Nezone Herbals Private Limited: (Preference Shares of Face value of Rs. 100/- each)

Sl. No.	Name of Shareholders	No of Equity Shares held	In %
1	Samta Polymers Ltd	2,000	100.00
	Total	2,000	100.00

Name of the Company	M/s. Inkbird Packaging Private Limited		
Category	Unlisted Private Company		
Class	Company limited by Shares		
Name of Director	1. Hukum Chand Bothra (DIN: 00550653) 2. Deepak Raijada (DIN: 05157539)		
Brief Description and nature of activity or Business	The Company is engaged in manufacturing of Corrugated Boxes and Mono Boxes		
Date of Incorporation	09-03-2012		
CIN	U25200WB2012PTC175423		
PAN	AACCI8629N		
Registered Office Address	3A, Mangoe Lane, Kolkata – 700001, West Bengal, India		
Audited Financial Information (in ₹)			
Particulars	FY 2020-21	FY 2019-20	FY 2018-19
Share Capital	2,85,60,360	2,85,60,360	2,85,60,360
Reserves and Surplus	(80,11,079)	(1,14,56,564)	(1,81,91,740)
Net worth	2,05,49,281	1,71,03,796	1,03,68,620
Total Revenue	11,66,36,691	13,91,72,126	12,69,64,290
Profit/(Loss) after tax	34,45,484	48,56,944	28,54,718
Earnings per share (face value of ₹ 10/- each)	1.21	1.70	1.00
Net asset value per share (₹)	7.20	5.99	3.63

Shareholding Pattern of Inkbird Packaging Private Limited: (Face value of Rs. 10/- each)

Sl. No.	Name of Shareholders	No of Equity Shares held	In %
1	Deepak Raijada	10,51,100	36.80%
2	Agrani Finserv Advisors Pvt. Ltd.	9,24,530	32.37%
3	Vinita Raijada	3,76,706	13.19%
4	Hukum Chand Bothra HUF	1,70,000	5.95%
5	Tara Chand Bothra	1,32,500	4.64%
6	Jai Bothra	1,10,000	3.85%
7	Hukum Chand Bothra	51,200	1.79%
8	Sruthi Bothra	40,000	1.40%
Total		28,56,036	100.00%

Name of the Company	M/s. White Saffron Grains LLP	
Category	Limited Liability Partnership	
Name of Partners	1. Rakesh Sethia (DIN: 00409033) 2. Hukum Chand Bothra (DIN: 00550653) 3. Mohan Lal Parakh (DIN: 02186254)	
Brief Description and nature of activity or Business	Manufacturing of PP Fabrics	
Snapshot of the Project	<ul style="list-style-type: none">The company has been allotted a warehouse space of 36,450 sq.ft. in Poly Park on lease for a period of 10 years by M/s. Mega Flex Plastics Limited.The company is setting up a fabric processing unit consisting of 50 Leno looms and tape line of 600 kg/hr.The processing unit is on advanced stage of completion and commercial operation is expected to start from September 2022.The Unit will cater to the requirement of Mega Flex Plastics Limited.The Unit is also eligible for incentives under Banglashree Scheme, 2020 of Government of West Bengal; (1) State Capital Investment subsidy @ 10% of eligible Plant & Machinery subject to maximum of ₹ 50 lacs, (2) Reimbursement of interest on term loan @ 55% for 5 years, and (3) Refund of 30% of Net SGST paid for eight years from the date of commencement of commercial production. Cumulative refund of SGST shall not exceed 75% of fixed capital investment.	
Date of Incorporation	30-08-2019	
LLPIN	AAQ-4249	
PAN	AADFW2994C	
Registered Office Address	4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata – 700071, West Bengal, India	
Audited Financial Information (in ₹)		
Particulars	FY 2020-21	FY 2019-20
Fixed Capital	2,41,50,000	2,41,50,000
Current Capital	--	--
Reserves and Surplus	6,13,879	5,05,091
Total Revenue	--	--
Profit/(Loss) after tax	(1,08,787)	(30,384)

RELATED PARTY TRANSACTIONS

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this draft prospectus i.e., as at and for the financial year ended on 31st March 2022, 31st March 2021 and 31st March 2020 please refer to Section titled, **Financial Information - Related Party Transactions**, beginning on page 165 of this draft prospectus.

DIVIDEND POLICY

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, 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 Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years from date of this Draft Prospectus.

SECTION IX: FINANCIAL INFORMATION AS RESTATED

Independent Auditor's Examination report on Restated Financial Statement of MEGA FLEX PLASTICS LIMITED

To,
The Board of Directors
Mega Flex Plastics Limited
4, Ho Chi Minh Sarani, Suite-2A,
Kolkata-700071

Dear Sirs,

1. We have examined the attached Restated Financial Information of Mega Flex Plastics Limited, comprising the Restated Financial Statement of Assets and Liabilities as on March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Financial Statements of Profit and Loss, the Restated Financial Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 18.07.2022 for the purpose of inclusion in the Draft Prospectus/ Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").
2. These restated Summary Statement have been prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, West Bengal and the [relevant stock exchange] in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the Company 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.
4. 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 July 4, 2022 in connection with the proposed IPO of equity shares of the Issuer;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial 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.

5. These Restated Consolidated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020, which has been approved by the Board of Directors.
6. For the purpose of our examination, we have relied on:
 - a) Auditors' reports and financial statement of the company for the year ended March 31, 2022 has been conducted by us i.e., M/s. S. Jaykishan. The financial report included for these year is based solely on the report submitted by them.
 - b) Auditors' Report and financial statement of the company for the year ended March 31, 2021 and March 31, 2020 has been conducted by M/s. V Jalan & Co. The financial report included for these periods is based solely on the report submitted by them.
7. Based on our examination and according to the information and explanations given to us, we report that:
 - a) The **"Restated Statement of Assets and Liabilities"** as set out in **Annexure I** to the report, of the Company for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 are 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 These 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 the report, of the Company for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 are 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 years ended March 31, 2022, March 31, 2021 and March 31, 2020 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flow 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) The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
 - e) The Restated Summary Statements 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;
 - f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
 - g) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
 - h) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 which would require adjustments in this Restated Financial Statements of the Company;
 - i) 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 Polices and Notes to Accounts as set out in **Annexure IV** to this report;
 - j) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which

includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Summary Statements;

- k) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
 - l) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
 - m) the company has not proposed any dividend in past effective for the said period.
8. 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 years ended March 31, 2022, March 31, 2021 and March 31, 2020 proposed to be included in the Draft Prospectus/Prospectus.

Annexure No.	Particulars
I	Restated Statement of Assets & Liabilities
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Other Long-Term Liabilities
I.5	Restated Statement of Short-Term Borrowings
I.6	Restated Statement of Trade Payable
I.7	Restated Statement of Other Current Liabilities
I.8	Restated Statement of Short-Term Provisions
I.9	Restated Statement of Fixed Assets & Depreciations
I.10	Restated Statement of Non-Current Investment
I.11	Restated Statement of Deferred Tax Liabilities/Assets
I.12	Restated Statement of Long-Term Loans and Advances
I.13	Restated Statement of Other Non-Current Assets
I.14	Restated Statement of Current Investment
I.15	Restated Statement of Inventories
I.16	Restated Statement of Trade Receivable
I.17	Restated Statement of Cash & Cash Equivalent
I.18	Restated Statement of Short-Term Loans and Advances
I.19	Restated Statement of Other Current Assets
II	Restated Statement of Profit & Loss
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of Material Consumed
II.4	Restated Statement of Changes in Inventories
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Other Expenses
II.7	Restated Statement of Financial Charges
II.8	Restated Statement of Provision for Taxation
Other Annexures:	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated

Annexure No.	Particulars
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities

9. We, M/s. S. Jaykishan, 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 which is valid till 30.04.2025.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus / Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, West Bengal in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For, S. Jaykishan
Chartered Accountants
Firm Reg. No: 309
PRC No: 014338

Sd/-

CA B.K.Khaitan
Partner
Membership No: 052469
Place: Kolkata

Date: 20.07.2022

UDIN No: 22052469ANJDXF5246

ANNEXURE – I

STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

Particulars	Note No.	Amt. in Lakhs		
		As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Equity & Liabilities				
1. Shareholders Fund				
a) Share capital	I.1	175.45	175.45	175.45
b) Reserves and surplus	I.2	2,929.68	2,663.75	2,534.89
Total Shareholder's Fund		3,105.13	2,839.20	2,710.33
2. Non Current Liabilities				
a) Long Term Borrowings	I.3	-	20.71	25.72
b) Deferred Tax Liability		-	-	-
c) Other Long Term Liabilities	I.4	7.46	69.87	69.87
Total Non Current Liabilities		7.46	90.58	95.59
3. Current Liabilities				
a) Short Term Borrowings	I.5	-	20.30	-
b) Trade Payables	I.6	15.75	12.68	66.13
c) Other Current Liabilities	I.7	89.22	80.96	63.18
d) Short Term Provisions	I.8	197.14	156.51	64.70
Total Current Liabilities		302.10	270.45	194.01
Total Equity & Liability		3,414.68	3,200.22	2,999.93
4. Non-Current Assets				
a) Fixed Assets				
- Tangible Assets	I.09	565.11	557.01	600.92
- Intangible Assets		-	-	-
- Work-In-Progress		-	-	-
Total Fixed Assets				
b) Non - current Investments	I.10	-	-	-
c) Deferred Tax Assets (Net)	I.11	5.98	5.48	5.55
d) Long Term Loans and Advances	I.12	978.98	1,016.14	777.11
e) Other Non- current Assets	I.13	-	-	-
Total Non Current Assets		1,550.07	1,578.63	1,383.59
5. Current assets				
a) Current Investment	I.14	877.25	639.57	1,016.90
b) Inventories	I.15	538.17	733.65	456.88
c) Trade Receivables	I.16	54.84	74.01	8.53
d) Cash and Cash Equivalents balances	I.17	168.81	11.74	27.91
e) Short Term Loans and advances	I.18	6.39	8.41	5.81
f) Other Current Assets	I.19	219.14	154.21	100.30
Total Current Assets		1,864.61	1,621.59	1,616.34
Total Assets		3,414.68	3,200.22	2,999.93

ANNEXURE – II

STATEMENT OF PROFIT & LOSS, AS RESTATED

Particulars	Note No.	Amt. in Lakhs		
		As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Income				
Revenue from Operations	II.1	4,646.83	2,949.23	3,149.64
Other Income	II.2	92.33	159.30	193.52
Total Revenue		4,739.16	3,108.53	3,343.16
Expenditure				
Cost of Material Consumed	II.3	3,185.99	2,143.97	2,352.06
Change in Inventories	II.4	383.21	(125.75)	(102.87)
Employee Benefit Expenses	II.5	135.06	126.99	122.81
Other Expenses	II.6	614.22	684.17	605.95
Total Expenses		4,318.48	2,829.38	2,977.96
Profit Before Interest, Depreciation and Tax		420.68	279.15	365.20
Depreciation & Amortisation Expenses	I.09	47.42	54.53	69.57
Profit Before Interest and Tax		373.26	224.62	295.63
Financial Charges	II.7	2.48	3.87	12.75
Profit before Taxation		370.78	220.75	282.88
Provision for Taxation	II.8	105.33	91.81	64.70
Provision for Deferred Tax		(0.48)	0.07	(1.67)
Total		104.85	91.88	63.03
Profit After Tax but Before Extra ordinary Items		265.93	128.87	219.85
Extraordinary Items		-	-	-
Profit Attributable to Minority Shareholders		-	-	-
Net Profit after adjustments		265.93	128.87	219.85
Net Profit Transferred to Balance Sheet		265.93	128.87	219.85

ANNEXURE – III

STATEMENT OF CASH FLOW, AS RESTATED

PARTICULARS	Amt. in Lakhs		
	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax as per Profit & Loss A/c	370.78	220.75	282.88
Adjusted for :			
a. Depreciation	47.42	54.53	69.57
b. Interest Expenses & Finance Cost	3.69	3.87	12.75
c. Other Adjustments	(30.55)	-	(26.34)
d. Interest & Other Income	(17.96)	159.30	193.52
Operating profit before working capital changes			
Adjusted for :			
a. Decrease /(Increase) in Inventories	195.48	(276.77)	(24.41)
b. Decrease / (Increase) in trade receivable	19.17	(65.48)	43.34
b. Decrease / (Increase) in Current Investments	(237.71)	377.34	(530.23)
c. (Increase) / Decrease in short term loans and advances	1.01	(2.59)	3.79
d. Increase / (Decrease) in Trade Payables	3.06	(53.45)	(1.05)
e. Increase / (Decrease) in short term provisions	40.63	91.81	(151.64)
f. Increase / (Decrease) in other current liabilities	8.26	17.78	5.78
g. (Increase) / Decrease in Other Current Assets	(64.93)	(53.91)	127.03
Cash generated from operations			
Net Income Tax (Paid)/Refund	(105.33)	(91.88)	(64.70)
Net Cash Generated/(Used) From Operating Activities (A)	233.04	381.30	(59.73)
B. CASH FLOW FROM INVESTING ACTIVITIES			
a. (Purchase) Sale of Fixed Assets	(55.51)	43.91	(4.06)
b.(Purchase) / Sale of non-current investment	-	-	241.50
c. (Increase) / Decrease in Long term loans and advances	38.15	(239.02)	34.90
d. Increase / (Decrease) in Long Term Provisions	(62.41)		
e. (Increase) / Decrease in Other Non Current Assets	-	0.07	-
f. (Increase) in Misc. Expenses	30.55	(54.53)	26.29
g. Interest & Other Income	17.96	(159.30)	(193.52)
Net Cash Generated/(Used) From Investing Activities (B)	(31.26)	(408.86)	105.12
C. CASH FLOW FROM FINANCING ACTIVITIES			
a. Interest & Finance Cost	(3.69)	(3.87)	(12.75)
b. Proceeds from share issued including Premium			
c. (Repayments) / proceeds of long term borrowings	(20.71)	(5.01)	(11.16)
d. (Repayments) / proceeds of short term borrowings	(20.30)	20.30	(10.67)
Net Cash Generated/(Used) From Financing Activities (C)	(44.70)	11.41	(34.59)
Net Increase / (Decrease) in cash and cash equivalents	157.07	(16.17)	10.81
Cash and cash equivalents at the beginning of the year	11.74	27.91	17.10
Cash and cash equivalents at the end of the year	168.81	11.74	27.91

Annexure – I.1

Restated Statement of Share Capital

(Rs. in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Authorised Capital			
18,00,000 Equity shares of ₹10/- each	180.00	180.00	180.00
Issued, Subscribed & Fully Paid-up			
17,54,450 Equity shares of ₹10/- each	175.45	175.45	175.45

Note: The Company has only one class of equity shares of par value ₹10/- each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding.

Reconciliation of No. of Shares Outstanding at the end of the year

(No. of Equity Shares)

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Shares outstanding at the beginning of the year	17,54,450.00	17,54,450.00	17,54,450.00
Shares issued during the year	-	-	-
Bonus Issued during the year	-	-	-
Share outstanding at the end of the year	17,54,450.00	17,54,450.00	17,54,450.00

Details of Shareholding more than 5% of the aggregate shares in the company

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
No. of Shares			
Channel Plastics Pvt. Ltd.	580600 33.09%	580600 33.09%	580600 33.09%
Pragatisheel Commercial LLP	155800 8.88%	155800 8.88%	155800 8.88%
Rakesh Sethia	98200 5.60%	117200 6.68%	117200 6.68%
Usha Sethia	95500 5.44%	95500 5.44%	95500 5.44%
Samta Polymers Limited	209900 11.96%	209900 11.96%	209900 11.96%

List of Promoter's shareholding in the company

Shares held by Promoter's at the end of financial year

(Rs. in Lakhs)

Name of Promoter's	% of total shares	No. of shares	Value of Shares as on 31-03-2022	Value of Shares as on 31-03-2021	Value of Shares as on 31-03-2020
Channel Plastics Pvt Ltd	33.09%	5,80,600	58.06	58.06	58.06
Rakesh Sethia	5.60%	98,200	9.82	9.82	11.72
Mohan Lal Parakh	2.85%	50,000	5.00	5.00	5.00
Hukum Chand Bothra	2.58%	45,200	4.52	1.72	1.72
Jamuna Devi Bhutra	-	-	-	2.80	2.80
Total	44.12%	7,74,000	77.40	77.40	79.30

Annexure – I.2

(Rs. in Lakhs)

Restated Statement of Reserve & Surplus

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Statement of Profit & Loss			
Opening balance	2,235.31	2,106.44	1,879.06
Add: Profit for the year	265.93	128.87	219.85
Add: Excess Provision	-	-	7.53
Total	2,501.23	2,235.31	2,106.44
Less: Utilised for Bonus Issue		-	-
Balance as at the end of the year	2,501.23	2,235.31	2,106.44
Security Premium Reserve	428.45	428.45	428.45
Revaluation Reserves	-	-	-
Other Reserves, If Any (Please Specify)	-	-	-
Total Reserve & Surplus	2,929.68	2,663.75	2,534.89

Annexure – I.3

(Rs. in Lakhs)

Restated Statement of Long Term Borrowings

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Secured Loans from Bank/FIs			
Vehicle Loans	-	20.71	25.72
Total	-	20.71	25.72

Annexure – I.4

(Rs. in Lakhs)

Restated Statement of Long Term Liabilities

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Other Deposit Received	1.35	69.87	69.87
Gratuity Provision	6.11	-	-
Total	7.46	69.87	69.87

Annexure – I.5

(Rs. in Lakhs)

Restated Statement of Short Term Borrowings

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Loan from Bank	-	20.30	-
Unsecured Loans from Related Parties	-	-	-
Total	-	20.30	-

Annexure – I.6

(Rs. in Lakhs)

Restated Statement of Trade Payables

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
MSME Creditors	4.21	3.49	-
Other Creditors	11.54	9.19	66.13
Total	15.75	12.68	66.13

Annexure – I.7

(Rs. in Lakhs)

Restated Statement of Other Current Liabilities

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Audit Fees Payable	-	1.72	-
TDS Payable	1.61	0.56	0.98
TCS Payable	0.42	0.15	-
Salary, Wages Expenses	6.05	16.48	10.20
Electricity Expenses	17.78	13.34	-
Outstanding Contract Charges	-	-	-
Entry Tax Payable	46.11	46.11	46.11
EPF	2.48	2.06	1.91
ESIC	0.43	0.40	0.36
Professional Tax Payable	0.04	0.03	0.03
GST Payable	14.30	0.11	3.59
Total	89.22	80.96	63.18

Annexure – I.8

(Rs. in Lakhs)

Restated Statement of Short Term Provision

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Provision for Income Tax for Earlier Year	91.81	64.70	-
Provision for Income Tax Current Year	105.33	91.81	64.70
Total	197.14	156.51	64.70

Annexure – I.9

(Rs. in Lakhs)

Restated Statement of Fixed Assets

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Tangible Assets			
<i>Furniture & Fittings</i>			
Gross Block - Opening Balance	21.13	20.75	20.66
Addition/Sale during the year	-	0.38	0.09
Gross Block - Closing Balance	21.13	21.13	20.75
Accumulated Depreciation - Opening Balance	14.90	12.95	10.33
Depreciation during the year	1.54	1.95	2.62
Accumulated Depreciation - Closing Balance	16.44	14.90	12.95
Net Block	4.69	6.23	7.81

Computers, Printers & Other Accessories			
Gross Block - Opening Balance	29.22	162.23	134.09
Addition/Sale during the year	0.79	2.50	3.86
Gross Block - Closing Balance	30.01	164.73	137.95
Accumulated Depreciation - Opening Balance	26.07	53.21	96.31
Depreciation during the year	1.64	7.97	11.40
Accumulated Depreciation - Closing Balance	27.71	61.18	107.71
Net Block	2.31	103.55	30.24
Plant and Machinery			
Gross Block - Opening Balance	489.13	489.13	489.13
Addition/Sale during the year	3.00	-	-
Gross Block - Closing Balance	492.13	489.13	489.13
Accumulated Depreciation - Opening Balance	425.60	410.11	390.83
Depreciation during the year	12.55	15.49	19.28
Accumulated Depreciation - Closing Balance	438.15	425.60	410.11
Net Block	53.98	63.53	79.02
Land & Building			
Gross Block - Opening Balance	80.99	80.99	80.99
Addition/Sale during the year	-	-	-
Gross Block - Closing Balance	80.99	80.99	80.99
Accumulated Depreciation - Opening Balance	-	-	-
Depreciation during the year	-	-	-
Accumulated Depreciation - Closing Balance	-	-	-
Net Block	80.99	80.99	80.99
Electric Installation			
Gross Block - Opening Balance	116.11	104.34	105.60
Addition/Sale during the year	28.06	5.26	-
Gross Block - Closing Balance	144.18	109.60	105.60
Accumulated Depreciation - Opening Balance	102.04	96.54	94.47
Depreciation during the year	3.93	1.62	2.06
Accumulated Depreciation - Closing Balance	105.97	98.16	96.54
Net Block	38.21	11.44	9.06

Motor Vehicles			
Gross Block - Opening Balance	105.08	105.08	105.08
Addition/Sale during the year	15.03	-	-
Gross Block - Closing Balance	120.11	105.08	105.08
Accumulated Depreciation - Opening Balance	82.80	72.82	57.85
Depreciation during the year	6.94	9.97	14.97
Accumulated Depreciation - Closing Balance	89.74	82.80	72.82
Net Block	30.37	22.28	32.25
Office Equipment			
Gross Block - Opening Balance	264.11	131.38	155.56
Addition/Sale during the year	8.63	3.74	0.10
Gross Block - Closing Balance	272.74	135.12	155.66
Accumulated Depreciation - Opening Balance	139.17	101.52	39.39
Depreciation during the year	10.21	6.43	7.63
Accumulated Depreciation - Closing Balance	149.38	107.95	47.02
Net Block	123.36	27.17	108.64
Warehouse			
Gross Block - Opening Balance	129.87	129.87	129.87
Addition/Sale during the year	-	-	-
Gross Block - Closing Balance	129.87	129.87	129.87
Accumulated Depreciation - Opening Balance	71.88	69.19	66.38
Depreciation during the year	2.57	2.69	2.81
Accumulated Depreciation - Closing Balance	74.45	71.88	69.19
Net Block	55.43	57.99	60.68
Factory Building			
Gross Block - Opening Balance	434.39	434.39	434.39
Addition/Sale during the year	-	-	-
Gross Block - Closing Balance	434.39	434.39	434.39
Accumulated Depreciation - Opening Balance	250.58	242.16	233.37
Depreciation during the year	8.04	8.41	8.80
Accumulated Depreciation - Closing Balance	258.62	250.58	242.16
Net Block	175.77	183.81	192.22
Total Net Block of Tangible Assets	565.11	557.01	600.92
B) Intangible Assets		-	-
C) Work-In-Progress		-	-

Annexure – I.10

(Rs. in Lakhs)

Restated Statement of Non - current Investments

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Investment in shares	-	-	-
Total	-	-	-

Annexure – I.11

(Rs. in Lakhs)

Restated Statement of Deferred Tax Liabilities/Assets

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Deferred Tax Assets/Liabilities Provision			
WDV As Per Companies Act 2013	557.00	557.01	600.92
WDV As Per Income tax Act	580.00	578.10	622.28
Difference in WDV	23.00	21.09	21.36
(DTA)/DTL	5.98	5.48	5.55
Deferred Tax Assets Provision			
Opening Balance of (DTA)/DTL	(1.60)	(1.67)	-
Add: Provision for the year	(0.48)	0.07	(1.67)
Closing Balance of (DTA)/DTL	(2.08)	(1.60)	(1.67)

Annexure – I.12

(Rs. in Lakhs)

Restated Statement of Long Term Loans & Advances

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Security Deposits	1.41	5.04	13.39
Balance with Government authorities-unsecured considered goods	740.84	780.32	741.05
Loan & Advances Given	236.73	230.77	22.67
Total	978.98	1,016.14	777.11

Annexure – I.13

(Rs. in Lakhs)

Restated Statement of Other Non-current Assets

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
other	-	-	-
Total	-	-	-

Annexure – I.14

(Rs. in Lakhs)

Restated Statement of Current Investment

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Current Investment			
Investment in Quoted Shares	28.49	30.65	299.86
Investment in Tax Free Bonds	2.57	2.57	2.57
Investment in Mutual Fund	845.39	606.35	714.47
Investment in Silver	0.79	-	-
Total	877.25	639.57	1,016.90

Annexure – I.15

(Rs. in Lakhs)

Restated Statement of Inventories

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Raw Materials	381.50	193.76	42.74
Work in Progress	102.21	84.30	70.52
Finished Goods	54.46	455.59	343.62
Total	538.17	733.65	456.88

Annexure – I.16

(Rs. in Lakhs)

Restated Statement of Trade Receivables

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Debts outstanding for a period exceeding six months from the date they became due for payment			
Secured & Considered Good	54.84	74.01	8.53
Other Receivables			
Secured & Considered Good	-	-	-
Total	54.84	74.01	8.53

Annexure – I.17

(Rs. in Lakhs)

Restated Statement of Cash and Cash Equivalents

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Cash In Hand	3.91	2.98	3.04
Balance With Bank (in Current Accounts)	164.90	8.76	24.87
Total	168.81	11.74	27.91

Annexure – I.18

(Rs. in Lakhs)

Restated Statement of Short Term Loans and Advances

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Loans and Advances to others Unsecured, Considered good			
Security Deposit	3.53	1.00	1.00
Loans and Advances	2.86	7.41	4.81
Total	6.39	8.41	5.81

Annexure – I.19

(Rs. in Lakhs)

Restated Statement of Other Current Assets

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
TDS Receivable	176.07	138.98	62.69
Other Advances	43.07	15.24	37.61
Total	219.14	154.21	100.30

Annexure –II.1

(Rs. in Lakhs)

Restated Statement of Revenue from operations

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Sales& Services			
- Domestic Sales	4,646.83	2,924.21	3,103.22
- Export Sales	-	25.02	46.43
Total	4,646.83	2,949.23	3,149.64

Annexure –II.2

(Rs. in Lakhs)

Restated Statement of Revenue from Other Income

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Interest on Fixed Deposit	17.96	11.42	0.39
Rental Income	3.34	118.78	157.04
Profit on Investment	30.55	21.38	26.29
Profit from Future & option	-	-	1.22
Any Other Income	40.48	7.72	8.58
Total	92.33	159.30	193.52

Annexure –II.3

(Rs. in Lakhs)

Restated Statement of Cost of Materials Consumed

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Opening Stock	193.76	42.74	121.20
Add: Purchase during the Years	3,373.73	2,294.99	2,273.61
Less: Closing Stock	381.50	193.76	42.74
Cost of Material Consumed	3,185.99	2,143.97	2,352.06

Annexure –II.4

(Rs. in Lakhs)

Restated Statement of Change in Inventory

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Work In Progress	(17.91)	(13.77)	34.20
Finished Stock	401.12	(111.98)	(137.06)
Total	383.21	(125.75)	(102.87)

Annexure –II.5

(Rs. in Lakhs)

Restated Statement of Employees Benefit Expenses

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Salaries, Wages & Bonus	79.03	74.50	84.64
PF Contributions	23.54	14.20	10.14
Staff Welfare	3.45	5.61	1.42
Directors Remuneration	29.04	32.67	26.62
Total	135.06	126.99	122.81

Annexure –II.6

(Rs. in Lakhs)

Restated Statement of Other Expenses

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Manufacturing Expenses	367.70	334.31	418.33
Accounting Charges	-	-	-
Audit Fees	0.42	0.42	0.42
Bank Audit Fees	-	-	-
Bank Charges	1.21	2.92	1.52
Conveyance Charges	2.64	2.52	2.13
Donation & Subscription	0.38	0.70	20.14
Electricity & Fuel Charges	-	-	-
General Expenses	4.22	169.52	5.77
Sales Promotion Charges	0.70	0.56	1.43
Freight Charges	70.86	50.72	52.37
GST Late fees	-	-	-
Insurance exp.	8.54	8.79	6.68
Misc. Expenses	-	-	0.52
Commission Paid	1.50	4.60	4.54
Printing & Stationery	9.20	0.89	1.12
Rent Paid	-	16.71	33.71
Bad debt	-	-	-
Rates & Taxes	1.77	0.99	0.75
Professional & Technical Charges	19.33	6.09	6.38
Income Tax Earlier Year	0.27	26.19	1.71
Repairs & Maintenance	124.05	56.30	45.33
ROC Filing Fees	0.01	0.37	0.15
Telephone Expenses	1.42	1.46	1.57
Travelling Expenses	-	-	0.93
Tender Fees	-	-	-
Trade Licence	-	0.13	0.45
Total	614.22	684.17	605.95

Annexure –II.7

(Rs. in Lakhs)

Restated Statement of Financial Charges

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Interest On Secured Loan	2.48	3.87	12.75
Interest On Unsecured Loan	-	-	-
Total	2.48	3.87	12.75

Annexure –II.8

(Rs. in Lakhs)

Restated Statement of Provision For Taxation

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Current Tax	105.33	91.81	64.70
Deferred Tax	(0.48)	0.07	(1.67)

Annexure IV

A. Background of the company:

Mega Flex Plastics Limited is a limited company incorporated under the provisions of the Companies Act, 1956. The CIN of company is U25209WB2003PLC097273.

B. Statement of Significant Accounting Policies

1.1 Basis of Preparation of Financial Statements:

These restated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) rules 2015.

The financial statements are prepared on accrual basis under the historical cost convention, except for certain fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees.

1.2 Use of Estimates:

The preparation of restated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

1.3 Fixed Assets:

Fixed Assets are stated at cost less depreciation. The cost of an asset comprises its purchase price and directly attributable expenses. Expenditure for addition and improvements are capitalized as and when incurred.

1.4 Depreciation:

Depreciation on fixed assets has been provided on WDV method on prorata basis over the useful life prescribed in schedule II to the Companies Act, 2013 after considering salvage value of five percent of original cost. The Company has considered useful life of assets same as prescribed under the Companies Act, 2013.

Depreciation upto 31.03.2014 was provided on WDV method on prorata basis at the rates prescribed in schedule XIV to the Companies Act, 1956.

Due to transition from schedule XIV to schedule II, depreciation on assets existing as on 31.03.2014, has been provided in such a way so that assets should be depreciated after considering salvage value of five percent of original cost of the assets over a useful life of assets as prescribed under schedule II of the companies Act, 2013.

Assets of which useful life has already been expired but depreciation charged till previous financial year was less than 95% of original cost of the assets, difference of 95% of Original Cost and depreciation charged till last year, has been charged to profit and loss account as depreciation.

Assets on which depreciation has already been charged above of 95% of Original Cost of the assets till previous financial year and written down value of the assets is less than 5% of Original Cost, salvage value has been considered remaining WDV as on first day of current financial year.

1.5 Revenue Recognition:

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is reasonably certain, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably and stated net of Goods & Services Tax, Sales Tax, VAT, trade discounts and rebates. Interest income is recognized on time proportion basis, taking into account outstanding amount and the applicable interest rate. Dividend income is accounted when the company's right to receive dividend is established.

1.6 Taxes on Income:

Provision for current tax is made in terms of provisions of the Income Tax Act, 1961. Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by Balance sheet date, the deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

Minimum Alternate Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

1.7 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

1.8 Provisions/Contingencies:

A provision is recognized when there is a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined (as provided/charged to the Statement of Profit and Loss) based on estimate of the amount required to settle the obligation at the Balance Sheet date and are not discounted to present value. Contingent assets are neither recognized nor disclosed in the financial statements.

1.9 Borrowing Cost:

Borrowing Cost attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.10 Inventory:

Inventories are valued at cost or net realizable value whichever is lower and on FIFO method.

1.11 Foreign Currency Transactions:

There is no foreign currency transaction in this company.

1.12 Segment Information:

Based on the principles for determination of segments given in Accounting Standard 17 “Segment Reporting” issued by accounting standard notified by Companies (Accounting Standard) Rules, 2008, the company is mainly engaged in the activity surrounded with main business of the Company hence there is no reportable segment.

1.13 Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which as the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The company found no indication that any asset may be impaired. Therefore, there was no need to determine impairment Loss. Other disclosure requirements as per mandatory Accounting Standard AS – 28 are not applicable in the case of the company.

1.14 Prior Period Expenditure:

The change in estimate due to error or omission in earlier period is treated as prior period items. The items in respect of which liability has arisen/crystallized in the current year, though pertaining to earlier year is not treated as prior period expenditure.

1.15 Extra Ordinary Items:

The income or expenses that arise from event or transactions which are clearly distinct from the ordinary activities of the Company and are not recurring in nature are treated as extra ordinary items. The extra ordinary items are disclosed in the statement of profit and loss as a part of net profit or loss for the period in a manner so as the impact of the same on current profit can be perceived.

1.16 Impact of Covid19:

On the basis of assessment of the impact of the outbreak of COVID-19 on business operations of the entity, the entity's management may conclude that no adjustment are required in the financial statement as it does not impact the current financial year. However, the situation with COVID-19 is still evolving. Also, some of the various preventive measures taken are still in force, leading to highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.

1.17 Employee Benefits:

Contribution as per Employees Provident Fund Law towards Provident Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis and relevant employer's contribution are recognized as expenditure and are charged to the profit & loss Account under the group head payments to and for the employees.

Provision for liabilities in respect to gratuity benefits are not made. However, it will be recognized as an expenses in the statement of Profit & Loss account on actual basis during the period in which the eligible employee leaves the services of the company and settlements of his due are made on actual calculation.

Annexure –V**Notes to the Re-stated Financial Statements:****I. 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.

II. 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.

III. Material Adjustments in Restated Profit & Loss Account:

Particulars	For the FY ended (Amt. in lakhs)		
	31-03-2022	31-03-2021	31-03-2020
Profit After Tax as per Books of Accounts	265.93	128.87	219.85
Adjustment for provision of Depreciation	-	-	-
Adjustment for provision of Income Tax	-	-	-
Adjustment for provision of Deferred Tax	-	-	-
Profit After Tax as per Restated	265.93	128.87	219.85

IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

There are micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

V. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.**VI. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.****VII. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.****VIII. Expenditure in Foreign Currency:**

Particulars	(Rs. In lakhs)		
	31.03.2022	31.03.2021	31.03.2020
Foreign Exchange Fluctuation	-	0.40	0.04

IX. Earnings in Foreign Exchange:

Particulars	(Rs. In lakhs)		
	31.03.2022	31.03.2021	31.03.2020
Export Sales	-	25.02	46.43

X. Disclosures under accounting Standard [AS-15]

Accounting Standard 15 on 'Employee Benefits' as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014

Defined Contribution Plans

The Company's contribution to provident fund is considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined Benefit Plans

Gratuity liability is defined benefit obligation and is provided for on the basis of calculation done as per statutory norms of Gratuity Act, 1972.

Short-Term Employee Benefits

Encashable Short term compensated absences are provided for based on estimates. No provision is made for unencashable short term compensated absences.

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 and have been rounded off to the nearest rupee.

XIII. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assesses 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. Director Personal Expenses

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

XV. Related Party Disclosure: [AS-18]

Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure-IX of the enclosed financial statements.

XVI. Deferred Tax Asset / Liability: [AS-22]

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

RATIO ANALYSIS AND ITS ELEMENTS

(Rs. in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Current Ratio	6.17	5.99	8.35
Debt – Equity Ratio	-	0.01	0.01
Debt Service Coverage Ratio	-	-	-
Return on Equity (ROE)	0.06	0.05	0.07
Inventory Turnover Ratio	1.40	0.59	5.26
Trade receivables turnover ratio	72.12	71.46	104.29
Trade payables turnover ratio	59.34	43.53	34.11
Net capital turnover ratio	3.19	1.06	0.62
Return on capital employed (ROCE)	0.12	0.07	0.11

Trade Payable Ageing summary

(Rs. in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at 31th March' 2022				
(i) MSME	4.21	-	-	-
(ii) Others	11.54	-	-	-
(iii) Disputed dues MSME	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-
As at 31th March' 2021				
(i) MSME	9.91	-	-	-
(ii) Others	3.49	-	-	-
(iii) Disputed dues MSME	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-
As at 31th March' 2020				
(i) MSME	53.44	-	-	-
(ii) Others	10.19	-	-	-
(iii) Disputed dues MSME	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-

Trade Receivable Ageing summary

(Rs. in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
As at 31th March' 2022					
(i) Undisputed Trade Receivables considered good	54.84	-	-	-	-
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-
(iv) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-
As at 31th March' 2021					
(i) Undisputed Trade Receivables considered good	74.01	-	-	-	-
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-
(iv) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-
As at 31th March' 2020					
(i) Undisputed Trade Receivables considered good	8.53	-	-	-	-
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-
(iv) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-

ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated

(Rs. in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Net Profit as Restated	265.93	128.87	219.85
Add: Depreciation	47.42	54.53	69.57
Add: Interest on Loan	2.48	3.87	12.75
Add: Income Tax	105.33	91.88	63.03
EBITDA	421.15	279.15	365.20
EBITDA Margin (%)	8.89%	8.98%	10.92%
Net Worth as Restated	3,105.13	2,839.20	2,710.33
Return on Net worth (%) as Restated	8.56%	4.54%	8.11%
Equity Share at the end of year (in Nos.)	17,54,450	17,54,450	17,54,450
Weighted No. of Equity Shares	17,54,450	17,54,450	17,54,450
Basic & Diluted Earnings per Equity Share as Restated	15.16	7.35	12.53
Net Asset Value per Equity share as Restated	176.99	161.83	154.48

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted 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.

ANNEXURE –VII

Statement of Capitalization, As Restated

Particulars	Pre-Issue	Post Issue*
	As at 31-03-2022	
Debt :		
Short Term Debt	-	-
Long Term Debt	-	-
Total Debt	-	-
Shareholders Funds		
Equity Share Capital	175.45	1,074.50
Reserves and Surplus	2,929.68	3,170.62
Less: Misc. Expenditure	-	-
Total Shareholders' Funds	3,105.13	4,245.13
Long Term Debt/ Shareholders' Funds	-	-
Total Debt / Shareholders Fund	-	-

* Assuming Full Allotment of IPO shares

ANNEXURE –VIII

Statement of Tax Shelter, As Restated

Particulars	As At		
	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Profit Before Tax as per books of accounts (A)	371	221	283
-- Normal Tax rate	26.00%	26.00%	26.00%
-- Minimum Alternative Tax rate	15.60%	15.60%	15.60%
Permanent differences			
Other adjustments		-	-
Prior Period Item			
Donation Disallowances	0.38	-	
Total (B)		-	-
Timing Differences			
Depreciation as per Books of Accounts	47.42	54.53	69.57
Depreciation as per Income Tax	53.62	54.80	62.42
Difference between tax depreciation and book depreciation	(6.20)	(0.28)	7.15
Other adjustments		-	-
Foreign income included in the statement		-	-
Total (C)	(6.20)	(0.28)	7.15
Net Adjustments (D = B+C)	(6.20)	(0.28)	7.15
Total Income (E = A+D)	364.58	220.47	290.03
Brought forward losses set off (Depreciation)		-	-
Tax effect on the above (F)		-	-
Taxable Income/ (Loss) for the year/period (E+F)	364.58	220.47	290.03
Tax Payable for the year	105.33	91.81	64.70
Tax payable as per MAT	57.84	34.44	44.13
Tax expense recognised	105.33	91.81	64.70
Tax payable as per normal rates or MAT (whichever is higher)	Income Tax	Income Tax	Income Tax

ANNEXURE –IX

Statement of Related Parties & Transactions

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the key managerial personnel/Entity	Relationship
RAKESH SETHIA	Director
HUKUM CHAND BOTHRA	Director
MOHAN LAL PARAKH	Director
CHANNEL PLASTICS PVT. LTD.	Company owned or significantly influenced by KMP
NEZONE HERBALS PVT. LTD.	Company owned or significantly influenced by KMP
WHITE SAFFRON GRAINS LLP	Company owned or significantly influenced by KMP
INKBIRD PACKAGING PVT. LTD.	Company owned or significantly influenced by KMP
NANESH COLD STORAGE PVT. LTD.	Company owned or significantly influenced by KMP

Transactions with Related Parties:

Particulars	Nature	As at 31-03-2022	As at 31-03-2021	As at 31-03-2020
Directors				
Hukum Chand Bothra	Remuneration	14.52	12.10	14.52
Mohan Lal Parakh	Remuneration	14.52	12.10	14.52
Rakesh Sethia	Remuneration	-	8.47	-
Total		29.04	32.67	29.04
Enterprises controlled by the KMP or their relatives				
White Saffron Grains LLP	Rent	0.25	-	-
White Saffron Grains LLP	Loan given	211.25	183.10	-
White Saffron Grains LLP	Loan repaid	97.35	105.00	-
White Saffron Grains LLP	Interest	5.31	-	-
Inkbird Packaging Pvt Ltd	Loan given	-	150.00	-
Inkbird Packaging Pvt Ltd	Loan repaid	130.00	29.89	-
Inkbird Packaging Pvt Ltd	Interest	9.92	9.89	-
Channel Plastics Pvt Ltd	Sales	110.43	59.50	-
Channel Plastics Pvt Ltd	Purchase	39.51	-	-
Nanesh Cold Storage Pvt Ltd	Sales	537.90	279.28	-
Nezone Herbals Pvt Ltd	Deposit	4.63	8.45	26.80
Balance Outstanding				
Enterprises controlled by the KMP or their relatives				
White Saffron Grains LLP	loan	192.00	78.10	-
Inkbird Packaging Pvt Ltd	Interest	1.52	-	-
Nezone Herbals Pvt Ltd	Deposit	-	4.63	13

ANNEXURE –X**Statement of Dividends**

No Dividend Paid till Date

ANNEXURE –XI**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 –XII**Contingent Liabilities:****Rs. in Lakhs**

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Income Tax Demand for the A.Y 2012-13 For which appeal has been filed to CIT(A), Kolkata- 4 (Paid under protest Rs.9,20,000/- upto 31.03.2020)	0.00	45.77	45.77
Company made under protest payment of Rs.6,57,38,093/- as the differential GST pursuant to the order dated 25-10-2018 of the West Bengal Appellate Authority for Advance Ruling whereby PP Leno Bags has been classified Heading 63053300 (GST @5% / 12%) under Chapter Heading 39232990 (GST @18%) instead of Chapter. Company filed appeal against the said order in Hon'ble Kolkata High Court vide W.P.3667(W) of 2019.	657.38	657.38	657.38
Corporate Guarantee Given to HDFC Bank Ltd. on behalf of White saffron Grains LLP	1000.00	0.00	0.00
Bank Guarantee given to West Bengal State Electricity Distribution Limited (WBSEDCL) as security deposit.	61.09	61.09	61.09

FINANCIAL INDEBTEDNESS

STATEMENT OF FINANCIAL INDEBTNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, Mega Flex Plastics Limited and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at 31.03.2022 are as mentioned below:

₹ in lakhs

Nature of Borrowing	Outstanding as on March 31, 2022 [Latest completed 12 months FY]	Outstanding as on March 31, 2021 [Stub period, if any]
Secured Loan	--	41.00
Unsecured Loan	--	--
Total	--	41.00

A. Secured Loans

₹ in lakhs

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Daimler Finance Services Pvt Ltd	Car Loan	40.45	--	20.71
HDFC Bank Ltd	Cash Credit	900.00	--	20.29
	Bank Guarantee	60.00	61.09	61.09
	Corporate Guarantee*	1000.00	--	--
Subtotal				41.00

(If a sanction letter having several limits, please provide terms of sanction for all the facilities separately like CC, TL, BG, LC etc. and outstanding utilized amount)

* Corporate Guarantee given to HDFC bank on behalf of White Saffron Grains LLP. Outstanding balance in the books of White saffron Grains LLP amounted to Rs. 192 Lakhs.

Details Terms of Secured Loan:

1. HDFC Bank Limited

Facility	: Cash Credit (CC)
Loan Limit	: Rs. 900 Lakhs
Date of Sanction	: 20/06/2016
Rate of Interest	: 7.7%
Repayment Terms	: N.A

Security offered

Primary Security	: DEBTORS, STOCK, PLANT & MACHINERY
Collateral Security	: MORTGAGE TO PROPERTY AT POLYPARK HOWRAH, FIXED DEPOSIT MARGIN FOR BG, FIXED DEPOSIT MARGIN FOR LC
Personal Guarantee	: RAKESH SETHIA, MOHAN LAL PARAKH, HUKUM CHAND BOTHRA
Corporate Guarantee	: N.A
Any Non-compliance of sanctioned terms	: N.A

2. HDFC Bank Limited

Facility	: Bank Guarantee (BG)
Loan Limit	: Rs. 60 Lakhs
Date of Sanction	: 20/06/2016
Rate of Interest	: 7.25%
Repayment Terms	: N.A

Security offered

Primary Security	: STOCK, BOOK DEBTS
Collateral Security	: PERSONAL GUARANTEE, FIXED DEPOSIT MARGIN FOR BG, FIXED DEPOSIT MARGIN
Personal Guarantee	: RAKESH SETHIA, MOHAN LAL PARAKH, HUKUM CHAND BOTHRA
Corporate Guarantee	: N.A
Any Non-compliance Of sanctioned terms	: N.A

B. Unsecured Loans:

Name of Lender	Purpose	Re-Payment Terms	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Nil	Nil	Nil	Nil	Nil
Subtotal			--	--

For S. Jaykishan.
Chartered Accountants
Firm Reg. No: 309005E

Sd/-

(CA B.K. Khaitan)
Partner
Membership No: 052469
UDIN No: 22052469ANJDXF5246

Place: Kolkata
Date: 20.07.2022

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on 31st March 2022, 31st March 2021 and 31st March 2020 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this prospectus. You should also see the section titled “**Risk Factors**” beginning on page 20 of this prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated July 20, 2022 which is included in this prospectus under the section titled “**Financial Information as Restated**” beginning on page 140 of this prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “**Risk Factors**” and “**Forward Looking Statements**” beginning on pages 20 and 14 respectively, and elsewhere in this prospectus*

*Accordingly, the degree to which the financial statements in this prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled “**Certain Conventions, Use of Financial, Industry and Market Data and Currency Presentation**” beginning on page 12 of this prospectus.*

BUSINESS OVERVIEW

Our Company was incorporated and founded by visionary Late Sri Anup Chand Sethia and his son Mr. Rakesh Sethia in the year 2003 having flexible packaging solution in mind and the search for right product and right location. In the year 2006, our Company was allotted 2.095 acres land in Sudha Ras Food & Poly Park promoted and developed by West Bengal Industrial Development Corporation Limited (WBIDC), Government of West Bengal which is a landmark industrial park of WBIDC Limited.

Mega Flex Plastics Limited is primarily engaged in manufacturing of Leno Bags which is used for packaging of agricultural produces like potatoes, onions, garlic, coconuts, fruits and vegetables. In addition to Leno Bags, our company is also manufacturing Woven Fabric and Sutli (Fibrillated Twisted Thread). The product which we majorly manufacture i.e., Leno Bags is made from Plastic Granules and is used multiple times for storage of fruits and vegetables. The said product is widely used in Cold Storages and warehouses for storage of various products.

Our state-of-the-art plant for manufacturing PP Leno Bags is situated at Sudha Ras Food & Poly Park (Industrial Park), Howrah in the state of West Bengal, India. The plant is strategically located on NH-6, about 120 km from international all-weather port of Haldia and around 30 kms from Kolkata port, which gives it excellent connectivity and transport facilities.

We started with state of art manufacturing facility with production capacity of 23.08 million Bags per year by installing 27 looms in the year 2007. We gradually increased our production capacity by adding looms to our factory and till date, our factory has 60 looms with a production capacity of 51.30 million Bags per year. The core machinery comprising of an Extrusion Tape Line (melt capacity of 450 kg/hr) and 60 Looms. The efficient and motivated workforce and with thrust on maintaining machine efficiency, we were able to achieve optimum level of production year after year. Strict production supervision and special focus on quality control ensured that only quality Leno bags products reached to the customers. Our bags are trusted upon by the customers. Our brands include *Lenoflex*, *Kisan*, *Kisan Regular*, *Goldflex*, *Goldflex Lite*, *Tiger*, *Tiranga*, *Hena*. The Lenoflex is most preferred brand for storage of potato when the farmer looks for the quality. We also export Leno Bags to European countries and our quality is well accepted there also. We are also capable to produce Sutli (fibrillated Twisted Thread) as per the demand.

When we started our production, usage of Leno Bags was in its nascent stage and farmers were hardly aware of this highly convenient and economic form of packaging. Vegetables were mainly packed in jute bags. Jute bags was not an efficient mode of packaging due to its high cost, voluminous in size, wastage of packed produce because of high water absorption resulting in huge loss during storage and transportation. With technical and marketing support of some big polymer manufacturers, we reached out to farmers at grass root level in villages of West Bengal and popularized use of Leno Bags. This revolutionized the way vegetables were packed and proved to be a boon for the farmers.

We became an integrated fruits and vegetable packaging solutions provider offering Leno Bags, which are used for packing of fruits & vegetables, Technical Textile Fabric and Sutli (Fibrillated Twisted Thread). We are part of a group whose other business interests include manufacturing of rigid plastic packaging products i.e. Plastic Container for Paints, Lubricants, Greases etc.; paper packaging products i.e. Corrugated Boxes & Mono Boxes; and logistics & warehousing etc.

Our Company's Leadership team consists of our promoters who have several decades of experience in the field of packaging solutions. This has made our company a highly acclaimed and trusted enterprise with a focus on innovation and sustained growth. We are having a professional management team to execute our projects having vast techno-commercial knowledge and experience in the field of plastic packaging.

We have all the required facilities in house, which includes captive power generation unit, UPS, water treatment plant etc. We have well equipped laboratory to ensure quality check at all levels of production. We have our own fleet of vehicles to ensure timely delivery even to remote places.

For Detailed information on our business, please refer to chapter titled “Our Business” and “Restated Financial Information” beginning from page no. 88 and 140 of this prospectus respectively.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e., March 31, 2022 as disclosed in this prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on Emerge Platform of National Stock Exchange of India Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on June 01, 2022 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on June 29, 2022 authorized the Initial Public Offer.
3. On July 08, 2022, our company has allotted 61,40,575 Bonus Equity Shares in the ratio of 7:2 i.e., for every Two Equity Share, Seven Bonus Equity Shares are allotted.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

IMPACT OF COVID-19

Since December 2019 when it was first reported, the outbreak of COVID-19 has spread globally. The World Health Organization declared the novel coronavirus disease (“COVID-19”) outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. The extent to which the COVID-19 outbreak impacts our business, cash flows, results of operations and financial condition will depend on future developments, including on the duration and severity of the pandemic, the nature and scope of government actions to contain it, and the potential impact on global and national economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs (including fuel surcharges), which are highly uncertain and cannot

be predicted. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and are likely to be severe.

In addition, while the Government of India in coordination with the state governments have started the bulk immunization process or vaccination drive since January 16, 2021, achieving a complete vaccination scale may take significant amount of time. There is also no assurance that the vaccines that are developed will be fully effective and/ or may not have side effects. On March 14, 2020, India declared COVID-19 as a 'notified disaster' and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious reopening of businesses and offices. Thus, our business was under lock down during the nationwide lock down due to the spread of COVID 19 Pandemic from March 25, 2020 to May 02, 2020. It was also shut down during the month of June 2020 due to widespread COVID – 19 pandemic. Subsequently, our business was operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. In addition, throughout March and April 2021, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further reinstatements of lockdown protocols or other restrictions, which may adversely affect our business operations. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations.

Our Company has witnessed a lower quantum of sales compared to similar periods in previous years. Our turnover has been drastically impacted due to global restriction and lockdowns including India due to Covid-19 pandemic. Our Turnover for the financial year 2021 has been reduced to ₹ 2949.23 lakhs from ₹ 3149.64 lakhs for the financial year 2020. However, we have increased our better revenue to ₹ 4646.83 lakhs in financial year 2022 as the restriction and lockdowns are being relaxed gradually. (for further details, please refer "Management Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page no. 169 of prospectus.

INFLATION

As economic activity started showing signs of picking-up in the second year of the pandemic, the global economy faced the fresh challenge of rising global inflation. COVID-19 related stimulus spending in major economies along with pent-up demand boosting consumer spending pushed inflation up in many advanced and emerging economies. The surge in energy, food, non-food commodities, and input prices, supply constraints, disruption of global supply chains, and rising freight costs across the globe stoked global inflation during the year. Crude oil prices also witnessed an upswing during the year on the back of increased demand from recovering economies and supply restrictions by the Organization of the Petroleum Exporting Countries and its allies (OPEC+).

Retail inflation, as measured by Consumer Price Index-Combined (CPI-C) inflation, in India, which was slightly above 6 per cent in 2020-21 owing to supply chain disruptions caused by COVID-19 restrictions, lockdowns, and night curfews, moderated during the current financial year. Retail inflation during 2021-22 (April-December) stood at 5.2 per cent (Table 1). Wholesale inflation, based on Wholesale Price Index (WPI), after remaining benign during the previous financial years, saw a sharp uptick during 2021-22 (April-December). A part of the observed rise in wholesale inflation could be attributed to the low base in the previous year. However, rising input costs and global commodity prices also contributed to the rise in wholesale prices.

Table 1. General inflation based on different price indices (in per cent)

Indices	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2020-21^	2021-22*
WPI	-3.7	1.7	3.0	4.3	1.7	1.3	0.0	12.5
CPI - C	4.9	4.5	3.6	3.4	4.8	6.2	6.6	5.2
(Headline Inflation)								
CPI – IW#	5.6	4.2	2.9	5.6	7.3	5.2	5.2	5.0
CPI - AL	4.4	4.2	2.2	2.1	8.0	5.5	7.0	3.2
CPI - RL	4.6	4.2	2.3	2.2	7.7	5.5	6.8	3.5

Source: Office of the Economic Adviser, Department for Promotion of Industry, and Internal Trade (DPIIT) for WPI, National Statistical Office (NSO) for CPI-C and Labour Bureau for CPI-IW, CPI-AL and CPI-RL.

Notes: #CPI-IW inflation for 2020-21 onwards is based on new series 2016=100; (P) - Provisional; C stands for Combined, IW stands for Industrial Workers, AL stands for Agricultural Labourers and RL stands for Rural

Labourers. *2021-22 (April to December) and CPI-IW, CPI-AL, RL (April to November)

^2020-21 (April to December) and CPI-IW, CPI-AL, RL (April to November)

KEY FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATION

- Changes in laws and regulations relating to the Sectors in which we operate;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the change
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.
- COVID-19 pandemic and similar circumstances

SIGNIFICANT ACCOUNTING POLICIES:

Our significant accounting policies are described in the section entitled “*Financial Statements as Restated*” beginning from page no. 140 of the prospectus

SUMMARY OF THE RESULTS OF OPERATION:

The following table sets forth select financial data from restated profit and loss accounts for the financial year ended on 31st March 2022, 31st March 2021 and 31st March 2020 and the components of which are also expressed as a percentage of total income for such periods.

(₹ In Lakhs)

Particulars	For the period ended on					
	31-03-2022	% of Total Revenue	31-03-2021	% of Total Revenue	31-03-2020	% of Total Revenue
Income						
Revenue from Operations	4,646.83	98.05	2,949.23	94.88	3,149.64	94.21
Other Income	92.33	1.95	159.30	5.12	193.52	5.79
Total Revenue	4,739.16	100.00	3,108.53	100.00	3,343.16	100.00
Expenditure						
Cost of Material Consumed	3,185.99	67.23	2,143.97	68.97	2,352.06	70.35
Change in Inventories	383.21	8.09	(125.75)	(4.05)	(102.87)	(3.08)
Employee Benefit Expenses	135.06	2.85	126.99	4.09	122.81	3.67
Other Expenses	614.22	12.96	684.17	22.01	605.95	18.13
Total Expenses	4,318.48	91.12	2,829.38	91.02	2,977.96	89.08

Particulars	For the period ended on					
	31-03-2022	% of Total Revenue	31-03-2021	% of Total Revenue	31-03-2020	% of Total Revenue
Profit Before Interest, Depreciation and Tax	420.68	8.88	279.15	8.98	365.20	10.92
Depreciation & Amortisation Expenses	47.42	1.00	54.53	1.75	69.57	2.08
Profit Before Interest and Tax	373.26	7.88	224.62	7.23	295.63	8.84
Financial Charges	2.48	0.05	3.87	0.12	12.75	0.38
Profit before Taxation	370.78	7.82	220.75	7.10	282.88	8.46
Provision for Taxation	105.33	2.22	91.81	2.95	64.70	1.94
Provision for Deferred Tax	(0.48)	(0.01)	0.07	0.00	(1.67)	(0.05)
Total	104.85	2.21	91.88	2.96	63.03	1.89
Profit After Tax but Before Extra-ordinary Items	265.93	5.61	128.87	4.15	219.85	6.58
Extraordinary Items	-		-		-	
Profit Attributable to Minority Shareholders	-		-		-	
Net Profit after adjustments	265.93	5.61	128.87	4.15	219.85	6.58
Net Profit Transferred to Balance Sheet	265.93	5.61	128.87	4.15	219.85	6.58

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2022 WITH FISCAL 2021

Total Revenue Income: During the FY 2021-22 the revenue from operation and other income of the Company has been increased to ₹4739.16 Lacs as against ₹3108.53 Lacs in the FY 2020-21 representing an increase of 52.46% from last year. This increase is driven by increase in sale of Leno Bags manufactured by the Company and other operating income.

Total Expenses: The total expenditure excluding depreciation, Interest and tax amount, for the FY 2021-22 has been increased to ₹4318.48 Lacs as against ₹2829.38 Lacs in the FY 2020-21 representing an increase of 52.63% from last year. This increase was mainly due to increase in volume of operation during the FY as mentioned in the Revenue from operations.

Cost of Material consumed: Cost of Material consumed for the FY 2021-22 has been increased to ₹3185.99 Lacs as against ₹2143.97 Lacs in the FY 2020-21 representing an increase of 48.60% from last year. This increase was mainly due to increase in volume of operation during the FY as mentioned in the Revenue from operations.

Employee Benefits Expenses: The Employee Benefits Expenses for the FY 2021-22 has been increased to ₹135.06 Lacs as against ₹126.99 Lacs in the FY 2020-21 representing an increase of 6.36% from last year.

Other Expenses: The other Expense for the FY 2021-22 has been decreased to ₹614.22 Lacs as against ₹684.17 Lacs in the FY 2020-21 representing a decrease of 10.22% from last year.

Finance Expenses: The finance cost of the company for the FY 2021-22 has been decreased to ₹2.48 Lacs as against ₹3.87 Lacs in the FY 2020-21 representing a decrease of 35.93% from last year.

Depreciation and Amortization Expense: The Depreciation and Amortization Expense for FY 2021-22 has been decreased to ₹47.42 Lacs as against ₹54.53 Lacs in the FY 2020-21.

Profit/ (Loss) Before Tax: We have earned profit of ₹370.78 Lacs in FY 2021-22 as against profit of ₹220.75 Lacs in the FY 2020-21. Increase in profit in FY 2021-22 is due to increase in sales.

Profit/ (Loss) After Tax: We have earned profit of ₹265.93 Lacs in FY 2021-22 as against profit of ₹128.87 Lacs in the FY 2020-21.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2021 WITH FISCAL 2020

Total Revenue Income: During the FY 2020-21 the revenue from operation and other income of the Company has been decreased to ₹3108.53 Lacs as against ₹3343.16 Lacs in the FY 2019-20 representing a decrease of 7.02% from last year. Decrease in Revenue is due to COVID impact during FY 2020-21.

Total Expenses: The total expenditure excluding depreciation, Interest and tax amount, for the FY 2020-21 has been decreased to ₹2829.38 Lacs as against ₹2977.96 Lacs in the FY 2019-20 representing a decrease of 4.99% from last year. This decrease was mainly due to decrease in volume of operation during the FY as mentioned in the Revenue from operations.

Cost of Material consumed: Cost of Material consumed for the FY 2020-2021 has been decreased to ₹2143.97 Lacs as against ₹2352.06 Lacs in the FY 2019-20 representing a decrease of 8.85% from last year. This decrease was mainly due to decrease in volume of operation during the FY as mentioned in the Revenue from operations.

Employee Benefits Expenses: The Employee Benefits Expenses for the FY 2020-2021 has been increased to ₹126.99 Lacs as against ₹122.81 Lacs in the FY 2019-20 representing an increase of 3.40% from last year.

Other Expenses: The other Expense for the FY 2020-2021 has been increased to ₹684.17 Lacs as against ₹605.95 Lacs in the FY 2019-20 representing an increase of 12.91% from last year.

Finance Expenses: The finance cost of the company for the FY 2020-21 has been decreased to ₹3.87 Lacs as against ₹12.75 Lacs in the FY 2019-20 representing a decrease of 69.61% from last year.

Depreciation and Amortization Expense: The Depreciation and Amortization Expense for FY 2020-21 has been decreased to ₹54.53 Lacs as against ₹69.57 Lacs in the FY 2019-20.

Profit/ (Loss) Before Tax: We have earned profit of ₹220.75 Lacs in FY 2020-21 as against profit of ₹282.88 Lacs in the FY 2019-20. Decrease in profit in FY 2020-21 is due to COVID Impact during FY 2020-21.

Profit/ (Loss) After Tax: We have earned profit of ₹128.87 Lacs in FY 2020-21 as against profit of ₹219.85 Lacs in the FY 2019-20. Decrease in profit in FY 2020-21 is due to COVID Impact during FY 2020-21.

AN ANALYSIS OF REASON FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE IS GIVEN HEREUNDER:

1. *Unusual or infrequent events or transactions*

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. *Significant economic changes that materially affected or are likely to affect income from continuing operations.*

There are no significant economic changes that may materially affect or likely to affect income from continuing operations except the Covid-19 pandemic which is still to be controlled. However, Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact 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 20 in the 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. *Expected Future changes in relationship between costs and revenues*

Our Company’s future costs and revenues will be determined by demand/supply situation, Government Policies and Taxation and Currency fluctuations.

5. ***Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices***
Changes in revenue in the last financial years are as explained in the part “Comparison of the financial performance of above.
6. ***Total turnover of each major industry segment in which our Company operates***
The Company is mainly engaged in manufacturing of Leno Bags, Fabrics, Sutli etc. The details relating to the same has been mentioned in under Section “Restated Financial Statements” and “Industry Overview” beginning on page no. 140 and 71.
7. ***Status of any publicly announced New Products or Business Segment***
Our Company has not announced any new product other than disclosed in this prospectus.
8. ***Seasonality of business***
Our company’s business is not seasonal in nature. Leno Bag supply is dependent on harvesting of fruits and vegetables. Our Leno Bags are used by farmers for packaging of Potatoes as West Bengal is a major potato cultivation region. Usually, potatoes are harvested during December to March. They are stored at Cold Storages during March in West Bengal. Sales of Leno Bags during April to July is less as compared to other seasons/months during the year.
9. ***Competitive conditions***
Competitive conditions are as described under the Chapters “***Industry Overview***” and “***Our Business***” beginning on page 71 and 88 respectively of the prospectus.
10. ***Details of material developments after the date of last balance sheet i.e., March 31, 2022.***
Except as mentioned in this prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

SECTION X: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

This is to certify that, except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non-payment of statutory dues, over dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956 and/or paragraph (i) of Part I of Schedule V of the Companies Act, 2013) against our Company, our Directors, our Promoters and the Entities Promoted by our Promoters, except the following:

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoters, directors, Promoter Group companies and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as wilful defaulters or fraudulent borrowers by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

Part I – CONTINGENT LIABILITIES OF THE COMPANY

Particulars	As at 31 March 2022 (₹ in lakhs)
Company made under protest payment of Rs.6,57,38,093/- as the differential GST pursuant to the order dated 25-10-2018 of the West Bengal Appellate Authority for Advance Ruling whereby PP Leno Bags has been classified Heading 63053300 (GST @5% / 12%) instead of Chapter Heading 39232990 (GST @18%). Company filed appeal against the said order in Hon'ble Kolkata High Court vide W.P.3667(W) of 2019.	657.38
Corporate Guarantee Given to HDFC Bank Ltd. on behalf of White saffron Grains LLP	1000.00
Bank Guarantee given to West Bengal State Electricity Distribution Limited (WBSEDCL) as security deposit.	61.09

Part-II LITIGATION RELATING TO THE COMPANY

1. FILED AGAINST THE COMPANY

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities
 - i. Direct Tax.

- a) **Assessment Year 2012:** A Notice of Assessment Proceeding under section 147 of the Income Tax Act, 1961 [hereinafter referred to as “the act”] has been issued by the Income Tax Department against the company bearing demand reference no: 2019201210001553373C for an outstanding amount of Rs. 19,57,385 [Rupees

Nineteen Lakhs Fifty-Seven Thousand Three Hundred and Eighty-Five Only] with an accrued interest of Rs. 5,21,068 [Rupees Five Lakhs Twenty-One Thousand Sixty-Eight Only]. The matter is already settled under The Direct Tax Vivad Se Viswas Rules, 2020 but the demand is still showing as outstanding in Income Tax Portal.

- b) **Assessment Year 2020:** A Notice of Assessment Proceeding under section 154 the act has been issued by the Income Tax Department against the company bearing demand reference no:2021202037050720891C for an outstanding amount of Rs. 32,470 [Rupees Thirty-Two Thousand Four Hundred Seventy Only] along with and accrued interest of Rs. 3240 [Rupees Three Thousand Two Hundred Forty Only]. The company has paid the said demand on 24th March 2022 but the demand is still showing as outstanding in Income Tax Portal.

ii. Indirect Tax- **NIL**

d. Other Pending Litigation- **NIL**

2. CASES FILED BY THE COMPANY

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities

i. Direct Tax – **NIL**

ii. Indirect Tax-

- a) The company has filed a Writ Petition before the Hon'ble High Court of West Bengal (*hereinafter referred to as "the High Court"*) being Writ Petition No 3667 of 2019, against the Union of India, challenging the order of the West Bengal Appellant Authority for Advance Ruling [WBAAAR] (hereinafter referred to as "Impugned Order") dated 25th October 2018, wherein the WBAAAR ruled that the goods manufactured by the company [PP Leno Bags] shall be classified under **HSN Code 3923**. The Company further challenged the validity of Circular bearing no 80/54/2018-GST dated 12th December 2018 wherein it has been clarified by the competent authorities that the Polypropylene Woven and Non-Woven bags and PP woven and Non-woven bags laminated with BOPP would be classified as plastics bags under HS Code 3923 and would attract 18% GST. In the matter the company has contended that the PP Bags manufactured by the company should not be included in the scope of HS Code 3923 and should specifically and appropriately be covered under

HS Code 6305. As on the date, the petition is pending before the Hon'ble High Court and has been clubbed together with similar petitions.

- b) The company has filed a Writ Petition bearing Writ Petition No 10178 of 2019, before the Hon'ble High Court, praying for compensation in terms of interest for substantial delay in re-credit of Input Tax Credit amounting to Rs. 15,53,071 [Rupees Fifteen Lakhs Fifty-Three Thousand Seventy-One Only] arising out of rejection of application for refund of integrated tax for exports of goods for the period July 2017 and September 2017. The company has exported goods in the month of July and September 2017 after paying integrated tax amounting to Rs. 15,53,071 [Rupees Fifteen Lakhs Fifty-Three Thousand Seventy-One Only] and thereafter sought through an application refund of ITC on export of goods amounting to Rs. 15,53,071 on 14th December 2017 for the aforesaid months. However, this application was erroneously filed in form GST RFD-01A relevant for filing of ITC on export of goods and services without payment of integrated tax. As on the date, the authority has re-credited the electronic credit ledger of the company, however the interest for delay has not been credited. The company through this writ petition is challenging the actions of the authorities and same is pending adjudication.
- c) The company had filed another Writ Petition bearing Writ Petition No 10179 of 2019, before the Hon'ble High Court, wherein the issues pertain to re-credit of rejected refund of Input Tax Credit [hereinafter referred to as "ITC"] amounting to Rs. 55,45,444 [Rupees Fifty-Five Lakhs Forty-Five Thousand Four Hundred Forty-Four Only] for the month of July 2017 which was debited to its electronic credit ledger at the time of making claim for refund and have subsequently been recovered as erroneously refunded amount from the sanctioned refund for the subsequent month. The refund was granted due to accumulation of ITC due to inverted tax structure. Further the petitioner has also prayed for re-credit of ITC arising out of rejected claim for refund of ITC accumulated due to inverted tax structure, amounting to Rs. 10,24,913 [Rupees Ten Lakhs Twenty-Four Thousand Nine Hundred Thirteen Only] for the months of September, October, and November 2017 which was debited in the electronic credit ledger of the company, at the time of making claim for refund, and was therefore ordered to be re-credited to the electronic credit ledger. The Company is also praying for interest for the delay in granting refund. As per the last order by the Hon'ble High Court it was order, *the respondents are requested to look into the issue of granting re-credit of ITC and to act in accordance with*

law by re-crediting the same to electronic credit ledger if permissible by law. Presently, the matter is pending before the High Court for final disposal.

- d) The company has filed Writ Petition bearing Writ Petition No 10180 of 2019, before the Hon'ble High Court, the said petition has been filed against order dated 12.02.2019 passed by the Additional commissioner of GGST & Central Excise (Appeals), Kolkata-II [hereinafter referred to as "**Appellant Authority**"], wherein the company has sought for refund of ITC accumulated due to inverted tax structure in form GST RFD-01A for the month of August, 2017 for an amount of Rs. 33,23,026/- (CGST RS. 11,38,405/-, SGST Rs. 11,38,405/- and IGST Rs. 10,46,216/-). The application was rejected by the "Appellant Authority" stating that *No cogent reason is offered by the company as to why and how the Tariff Heading is now sought to be changed from 39232990 to 63053300.* As on the date the order of the "Appellant Authority" is challenged before the Hon'ble High Court and is pending adjudication.

 - e) The company has filed a writ petition before the Hon'ble High Court bearing Writ Petition No: 21030 of 2019. The said petition has been filed against order passed by the "Appellant Authority". The company had filed application for refund of ITC accumulated due to inverted tax structure to the tune of Rs. 28,96,998/-, Rs. 6,35,402/-, Rs. 42,90,429/- & Rs. 19,06,846/- for the month of September 2017 on 21.03.2018 and for the month of October 2017, November 2017 and December 2017 on 22.03.2018 respectively. The Appellant Authority has ruled against the company and rejected the refund order. Aggrieved by the order of the Appellant Authority, the company has filed the present writ petition and the same is pending adjudication before the Hon'ble High Court.

 - f) The company has filed writ petition before the Hon'ble High Court, bearing Writ Petition Number 17614 of 2021. The writ has been filed against the order of the Appellant Authority ordering recovery of a total sum of Rs. 1,37,37,045 [Rupees One Crore Thirty-Seven Lakh Thirty-Seven Thousand Forty-Five Only], as multiple proceedings have been initiated in respect of the same subject matter and on the same cause of action. As on the date the Writ is pending adjudication before the Hon'ble High Court.
- d. Other Pending Litigation -**NIL**

Part-III LITIGATION RELATING TO THE DIRECTORS AND PROMOTERS OF THE COMPANY.

1. CASES FILED AGAINST COMPANY DIRECTOR AND PROMOTER

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities
 - i. Direct Tax – **NIL**
 - ii. Indirect Tax- **NIL**
- d. Other Pending Litigation-**NIL**

2. CASES FILED BY COMPANY DIRECTORS AND PROMOTERS

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities
 - i. Direct Tax – **NIL**
 - ii. Indirect Tax- **NIL**
- d. Other Pending Litigation

Part IV- LITIGATION RELATING TO GROUP COMPANIES OTHER THAN CORPORATE PROMOTRES

1. CASES FILED AGAINST GROUP COMPANIES OTHER THAN CORPORATE PROMOTRES

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities
 - i. Direct Tax
 - a) **Assessment Year 2019:** A Notice of Assessment Proceeding under section 143 (1)a of the act has been issued by the Income Tax Department against Anup Chand Sethia Foundation bearing demand reference: 2020201937013273972T for demand of Rs. 10,02,290 [Rupees Ten Lakhs Two Thousand Two Hundred Ninety Only]. The demand is still pending against the said company.

- b) **Assessment Year 2020:** A Notice of Assessment Proceeding under section 143(1)a of the act has been issued by the Income Tax Department against Anup Chand Sethia Foundation bearing demand reference: 32,57,440 [Rupees Thirty-Two Lakhs Fifty-Seven Thousand Four Hundred Forty Only] along with accrued interest of Rs. 2,28,018 [Rupees Two Lakhs Twenty-Eight Thousand Eighteen Only] is pending against the said company.
 - ii. Indirect Tax- **NIL**
 - e. Other Pending Litigation –
 - 1) A Notice under rule 4(1) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rule, 1995 dated 17th February, 2022 was issued in the name of Anup Chand Sethia and Others HUF, for violation of Regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices related to Securities Market) Regulation, 2003. Wherein the Promoter Group Company in its reply dated March 9th, 2022, has asked for grant of extension of sometime due to prevailing COVID-19 situation and to extract relevant documents. The matter is still under adjudication by the Adjudicating Officer.
 - 2) A Notice dated 27th July 2020 was issued in the name of Rakesh Sethia Sons HUF by the Securities and Exchange Board of India, for opting for Settlement Scheme in the matter of Trade Reversal in the stock segment of BSE during period of April 1, 2014 to September 30, 2015. No further action has been initiated against the HUF for same.

2. CASES FILED BY GROUP COMPANIES OTHER THAN CORPORATE PROMOTRES

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities
 - i. Direct Tax – **NIL**
 - ii. Indirect Tax- **NIL**
- d. Other Pending Litigation-**NIL**

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

I. Approvals for the Issue

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on June 01, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on June 29, 2022 authorized the Issue.
- c) Our Company has received an in-principle approval from the NSE dated [●] for listing of Equity Shares issued pursuant to the Issue.
- d) Our Company's ISIN is "INE0G1D01014".

II. Approvals pertaining to Incorporation of our Company

S. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
1	Certificate of Incorporation	U25209WB2003 PTC097273	Companies Act, 1956	Registrar of Companies, Kolkata, West Bengal	18 th November, 2003	Till Cancelled
2	Certificate of Incorporation upon change in Name due on conversion to Public Limited Company	U25209WB2003 PLC097273	Companies Act, 1956	Registrar of Companies, Kolkata, West Bengal	1 st February, 2007	Till Cancelled

III. Business Related Approvals

Sl. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
1	Registration Certificate under West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979	191000727991	West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979	Professional Tax Officer, Kolkata	23 rd March 2015	Till Cancelled
2	Registration under Employees' State Insurance	410004752 40000999	Employee State Insurance Act, 1948	Employees' State Insurance Corporation	--	Till Cancelled
3	Registration under Employee Provident Fund	WBHLO00 43919000	Employee Provident Fund Scheme, 1952	Employees Provident Fund Organization	January 03, 2015	Till Cancelled
5	Importer-Exporter Code (IEC)	0205009166	Foreign Trade (Development and	Directorate General of Foreign Trade	13 th July 2005	Till Cancelled




Sl. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
			Regulation) Act, 1992			
6	Udyam Registration Certificate	UDYAM-WB-08-0001849	Micro, Small and Medium Enterprises Development Act, 2006	Government of India Ministry of Micro, Small and Medium Enterprises	16 th October 2020	Till Cancelled
7	License under Factories Act 1948 read with West Bengal Factories Rules 1958.	017453	Factories Act, 1948	Director of Factories, Government of West Bengal, Kolkata	31 st March 2022	Till 31 st December 2026
8	License under the West Bengal Fire Services Act, 1950	IND/WB/FSL/20192 022/232119	West Bengal Fire Services Act, 1950	Collector, Fire License Section, 13D, Mirza Ghalib Street, Kolkata	19 th February 2022 Valid from 1 st February, 2022	Till 31 st January, 2023
9	Certificate of Enlistment for Office	009661026031	Kolkata Municipal Act, 1980	License Department, Kolkata Municipal Corporation	1 st June, 2022	Till 31 st March, 2023
10	Trade License	2525	The West Bengal Panchayat (Gram Panchayat Administration) Rule 2004	West Bengal Department of Panchayats & Rural Development	30 th April 2022	Till 2025
11	Certificate for 'Consent to Operate'	1149/POL/DIC/HA W-17-18	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	West Bengal Pollution Control Board.	17 th January 2018	Till 30 th September 2024
12.	Certificate of Verification	SBVC A 1363537	Legal Metrology Act	Controller of Legal Metrology	30 th September 2021	30 th September 2022
13	Certificate of Registration	HWH04/CLR/00012 3	Contract Labour (Regulation & Abolition) Act, 1970	Deputy Labour Commissioner, Howrah Sadar	18 th May, 2017	Till Cancelled

IV. Tax Related Approvals

S. No	Name of Registration	Registration No	Applicable Law	Issuing Authority	Date of Issue	Validity
1.	Permanent Account Number [PAN]	AADCM7598R	Income Tax Act, 1961	Income Tax Department	29 th August 2018	Till cancelled
2.	Tax Deduction Account Number [TAN]	CALM08314F	Income Tax Act, 1961	Income Tax Department	6 th September 2018	Till Cancelled
3.	Goods and Service Tax	19AADCM7598R1Z8	Central Goods and Service Tax Act 2017	Goods and Service Tax Department	2 nd November 2020 Date of Liability, 1 st July 2017	Till Cancelled


V. Intellectual Property Related Approvals

Intellectual Property Rights in the name of our Company


Sl. No	Trademark	Registration No/ Application No	Status	Date of Issue/ Application	Date of Expiry	Class of Registration
1.		1988308	Application for Renewal Submitted	2 nd July 2010	2 nd July 2020	16
2.		1821111	Registered Mark	22 nd May 2009	22 nd May 2019	16
3.		1988310	Application for Renewal Submitted	2 nd July 2010	2 nd July 2020	16
4.	KISAN FRESH	2039254	Application for Renewal Submitted	18 th October 2010	18 th October 2020	16

List of Trademark Application Pending with Registry

Sl. No	Trademark	Registration No./ Application No.	Status	Class of Registration	Date of Application
1.		5445252	Pending	16	12 th May 2022
2.		5445251	Pending	16	12 th May 2022
3.		5225254	Pending	22	12 th May 2022
4.		5499832	Pending	16	22 nd June 2022
5.		5445253	Pending	16	12 th May 2022

Sl. No	Trademark	Registration No./ Application No.	Status	Class of Registration	Date of Application
6.		5445250	Pending	16	12 th May 2022
7.	LENOFLEX [Wordmark]	5491035	Pending	16	16 th June 2022
8.	LENOFLEX [Wordmark]	5445255	Pending	22	12 th May 2022
9.	KISAN	1821112	Opposed	16	22 nd May 2009

List of Expired Trademarks registered under the name of Company.

S. No	Trademark	Application No	Status	Class	Expired On
1.	LENOFLEX	1611676	Trade mark is likely to be removed due to non-filing of Renewal request	16	Expired on 15 th October 2017
2.		1611677	Trade mark is likely to be removed due to non-filing of Renewal request	16	Expired on 15 th October 2017

List of Trademarks Application refused by the Trademark Registry.

S. No	Trademark	Application No	Status	Class	Date of Application
1.	TIGER	1988309	Refused	16	2 nd July 2010

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

1. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by a resolution by the Board of Directors passed at their meeting held on June 01, 2022 under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the members and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by the shareholders by special resolution at the Extra Ordinary General Meeting held on June 29, 2022 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.
3. Our Company has received In-principal approval from NSE vide their letter dated [●] to use the name of NSE in this draft prospectus for listing of the Equity Shares on EMERGE Platform of NSE. National Stock Exchange of India Limited is the Designated Stock Exchange.
4. Our Board has approved this draft Prospectus through its resolution dated July 25, 2022.

CONFIRMATION:

- None of our Promoters or Promoter Group or Directors of our Company has been Debarred from accessing the Capital Market by SEBI; or
- None of our Promoters or Directors of our Company is a Promoter or Director of any other Company which is debarred from accessing the capital markets by SEBI.
- Further, neither our Company, Promoters or Directors is a wilful defaulter or Fraudulent Borrower.
- None of our Promoters or Directors is a fugitive economic offender.
- Our company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against our Company.
- Our company has not received any winding up petition admitted by a NCLT / Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
- Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations; and this Issue is an “*Initial Public Issue*” in terms of the SEBI (ICDR) Regulations.

ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender
- Neither our Company, nor our Promoters or our directors, is a Wilful Defaulter or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be more than 10 crores, and can issue Equity Shares to the public and propose to list the same on the *EMERGE Platform of National Stock Exchange of India Limited*.

We further confirm that:

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- ii. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- iii. In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the EMERGE Platform of NSE.

In terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus shall be furnished to the SEBI in a soft copy.

- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the EMERGE Platform of NSE.

In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under:

❖ ***Incorporation: The Company shall be incorporated under the Companies Act, 1956/2013.***

Our Company is incorporated under the Companies Act, 1956 in India.

❖ ***Post Issue Paid up Capital: The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.***
The post issue paid up capital (Face Value) of the company will be ₹10.75 crores. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹25.00 crores.

❖ ***Net-worth: Positive Net-worth.***

As per restated financial statement, the net-worth of the company is ₹ 3105.13 Lakhs as on March 31, 2022. Our company has positive net-worth. So, the company has fulfilled the criteria of positive net-worth of the company.

❖ ***Track Record: The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years***

Our company was incorporated on November 18, 2003 and having track record of more than 3 years.

- ❖ **Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:**

Our company is having operating profit, details are mentioned as below

(₹ in Lakhs.)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Profit Before Tax	370.78	220.75	282.88
Add: Depreciation	47.42	54.53	69.57
Add: Interest	2.48	3.87	12.75
Less: Other Income	92.33	159.30	193.52
Operating Profit (earnings before interest, depreciation, and tax) from operations	328.35	119.85	171.68

- ❖ Our company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against our Company and Promoting companies
- ❖ Our Company has not received any winding up petition admitted by a NCLT/Court.
- ❖ No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company.

Disclosure:

We further confirm that:

- ❖ There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of our Company.
- ❖ There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.
- ❖ There are no litigations record against our Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies), except as disclosed in this draft Prospectus
- ❖ There are no criminal cases filed against the directors of our Company involving serious crimes like murder, rape, forgery, economic offences.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE

ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED [●], 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATION 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR REGULATION, 2018.

THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:

WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
 - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND

SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.

7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**
8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS

TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING EMERGE PLATFORM OF NSE.

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE**.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this draft prospectus or in the advertisements or any other material issued by or at our Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on July 22, 2022 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company and the LM 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 LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, 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.

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 Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the 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.

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 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, 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 draft prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this draft prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in **Kolkata, West Bengal, India** only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this draft prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this draft prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE OF THE EMERGE 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 Ref.: [●] dated [●] 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.”

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in

any other jurisdiction outside India and may not be Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

The Equity Shares of our Company are proposed to be listed on SME EMERGE Platform of NSE. Our Company has obtained In-principle approval from NSE by way of its letter dated [●] for listing of equity shares on EMERGE Platform of NSE.

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 return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

FILING

The draft prospectus is being filed with National Stock Exchange of India Limited, at Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.

After getting in-principal approval from NSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Kolkata, West Bengal.

A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the prospectus.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable 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, Key Managerial Personnel, Our Peer Review Auditor, (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the draft 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 draft prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations 2018, **M/s. S. Jaykishan**, Chartered Accountant, our Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on

“Statement of Tax Benefits” relating to the possible tax benefits and restated financial statements as included in this draft prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this draft prospectus for filing with Roc.

EXPERTS OPINION

Except for the reports in the Section, “*Statement of Possible Tax Benefits*” and “*Financial Statement as Restated*” on page no. 68 and page no. 140 of this draft prospectus from the Peer Review Auditors and Statutory Auditor respectively; 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

Except as stated under Section titled “*Capital Structure*” beginning on page no. 45 of this draft prospectus our Company has not undertaken any previous public or rights issue. Further, we are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS

Since this is the initial public Issuing 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 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 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three year except as mentioned in this draft prospectus. This is the initial public Issuing of our Company’s Equity Shares

PERFORMANCE VIS-A-VIS OBJECTS–PUBLIC/RIGHT ISSUE OF OUR COMPANY

Except as stated under Section titled “*Capital Structure*” beginning on page 45 of this draft prospectus our Company has not undertaken any previous public or rights issue.

PERFORMANCE VIS-A-VIS OBJECTS - LAST ISSUE OF LISTED SUBSIDIARIES/LISTED PROMOTERS

We don’t have any listed company under the same management or any listed subsidiaries or any listed promoters as on date of this draft prospectus.

OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY OUR COMPANY

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this draft prospectus.

OPTION TO SUBSCRIBE

Equity Shares being issued through the draft prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA OF THE EQUITY SHARES

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Company has appointed “*M/s. Cameo Corporate Services Limited*” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated July 08, 2022 amongst the Registrar to the Issue and 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 demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

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 center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI 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 hereinabove.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed **Mrs. Parul Mantri**, 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:

Mrs. Parul Mantri

Company Secretary & Compliance Officer

Mega Flex Plastics Limited

4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor,
Kolkata - 700071, West Bengal, India

Contact No: +91 98742 45045

Email ID: compliance@megaflex.in

Website: www.megaflex.co.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 draft prospectus and hence there are no pending investor complaints as on the date of this draft prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

The Company has not sought for any exemptions from complying with any provisions of securities laws.

PRICE INFORMATION OF LAST 10 (TEN) ISSUED HANDLED BY THE LEAD MANAGER**Statement on Price Information of Last 10 (Ten) Issues handled by Finshore Management Services Limited:**

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 th calendar days from listing
1	DJ Mediaprint & Logistics Ltd.	2.40	20/-	13/04/2020	20.60	165.00 [2.22]	64.50 [19.24]	105.00 [32.00]
2	Promax Power Ltd.	1.60	10/-	12/10/2021	11.00	54.00 [0.11]	126.00 [-0.85]	120.00 [-2.34]
3	Dynamic Services & Security Ltd.	24.13	51/-	13/10/2021	53.00	-13.73 [-0.80]	-20.00 [-0.87]	-69.61 [-2.08]
4	Destiny Logistics & Infra Limited	5.39	20/-	13/10/2021	20.70	-27.00 [-0.80]	-41.75 [-0.87]	-43.00 [-2.08]
5	Timescan Logistics (India) Limited	4.81	51/-	12/01/2022	82.00	78.43 [-3.33]	79.90 [-2.95]	27.45 [-10.94]
6	Safa Systems & Technologies Ltd.	4.00	10/-	09/02/2022	16.55	7.00 [-5.13]	-5.80 [-6.83]	N. A.
7	Shigan Quantum Technologies Limited	22.70	50/-	11/03/2022	61.00	150.50 [6.94]	83.00 [-1.65]	N. A.
8	Swaraj Suiting Limited	10.68	56/-	28/03/2022	56.00	32.14 [-0.12]	-16.88 [-8.84]	N. A.
9	Fone4 Communications (India) Limited	6.80	10/-	06/05/2022	10.00	-39.00 [1.70]	N. A.	N. A.
10	Scarnose International Limited	6.60	55/-	27/06/2022	55.50	N. A.	N. A.	N. A.

Status as on 23-07-2022

1. in case where the security is not being traded on 30th, 90th and 180th day, the previous working day has been considered.
2. in case where 30th, 90th and 180th day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME and Nifty where securities have been listed in NSE Emerge.

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 th calendar day from listing day			Nos. of IPOs trading at premium – 30 th calendar day from listing day			Nos. of IPOs trading at discount -180 th calendar day from listing day			Nos. of IPOs trading at premium – 180 th calendar day from listing day		
			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%
2018-19	8	57.68	1	1	2	1	N. A	3	3	1	2	1	N. A	1
2019-20	6	52.42	N. A	1	2	N. A	2	1	N. A	1	2	N. A	N. A	3
2020-21	1	2.40	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A
2021-22	7	73.31	N. A	1	1	3	1	1	1	1	N. A	1	1	N. A
2022-23	2	13.40	N. A	1	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A

Status as on 23-07-2022

TRACK RECORD OF PAST ISSUES HANDLED BY FINSHORE MANAGEMENT SERVICES LIMITED

For details regarding track record of LM 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 LM at: www.finshoregroup.com.

SECTION XI: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this draft prospectus, the prospectus, the abridged draft prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e., just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on June 01, 2022 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting held on June 29, 2022.

RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to Section titled, *“Description of Equity Shares and Terms of the Articles of Association”*, beginning on page 224 of this draft prospectus.

OFFER FOR SALE

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our 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 in relation to dividends, please refer to Sections titled, *“Dividend Policy”* and *“Description of Equity Shares and Terms of the Articles of Association”*, beginning on page 139 and 224 respectively, of this draft prospectus.

FACE VALUE AND ISSUE PRICE

The face value of the share of our company is ₹10/- per equity share and the issue price is ₹40/- per equity share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, *“Basis for Issue Price”* beginning on page 66 of this draft prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association of our Company, 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 Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and 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 224 of this draft prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated July 08, 2022 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated July 07, 2022 between our Company, CDSL and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this draft prospectus will be done in multiples of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JOINT HOLDERS

Where two (2) 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 this section 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 ninety (90) 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 will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	[•]
ISSUE CLOSES ON	[•]

- *In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.*
- *In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.*
- *In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the red herring draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.*
- *In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).*

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 Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, 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 Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such 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 LM is liable for any failure in uploading the 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 Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

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

MINIMUM SUBSCRIPTION

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of draft prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

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 3,000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE Platform of NSE.

APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI AND QFIS

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

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 45 of this draft prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares. For further details, please refer to the Section titled, **“Description of Equity Shares and Terms of the Articles of Association”**, beginning on page 224 of this draft prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the EMERGE Platform of NSE.

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, the migration to the Main board of NSE from the EMERGE platform of NSE on a later date shall be subject to the following:

- If the Paid up Capital of our Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 and for which our Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid-up Capital of the company is more than ₹ 10 crore but below ₹25 crore, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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.

MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the EMERGE Platform of NSE, wherein [●] is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE EMERGE for a minimum period of three (3) years from the date of listing on the EMERGE Platform of NSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, **“General Information-Details of the Market Making Arrangements for this Issue”** beginning on page 38 of this draft 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 through this issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in ***Kolkata, West Bengal, India.***

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

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

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital is more than ten crore rupees, issue shares to the public and propose to list the same on the SME platform (EMERGE Platform of NSE). For further details regarding the salient features and terms of such this Issue, please refer to Sections titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 197 and 205, respectively, of this draft prospectus.

The present Issue of 28,50,000 Equity Shares at an issue price of ₹40/- each aggregating to ₹1,140.00 Lakhs by our Company. The Issue and the Net Issue will constitute 26.52% and 25.18%, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	27,06,000 Equity Shares	1,44,000 Equity Shares
Percentage of Issue Size available for allocation	94.95% of the Issue Size	5.05% of the Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 3,000 Equity Shares each. For further details please refer to “ <i>Basis of Allotment</i> ” under Section titled “ <i>Issue Procedure</i> ” beginning on page 205 of this draft prospectus.	Firm Allotment
Mode of Application	Through ASBA Process or up to Rs. 5.00 lakhs through UPI for Individual Investors	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Minimum Application Size	For Other than Retail Individual Investors: 6,000 Equity Shares at Issue price of ₹40/- each so that the Application Value exceeds ₹2,00,000. For Retail Individuals: 3,000 Equity Shares at Issue price of ₹40/- each.	1,44,000 Equity Shares @ ₹40/- each
Maximum Application Size	For Other than Retail Individual Investors: 27,06,000 Equity Shares at Issue price of ₹40/- each. (The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.) For Retail Individuals Investors: 3,000 Equity Shares at Issue price of ₹40/- each.	1,44,000 Equity Shares @ ₹40/- each
Trading Lot	3,000 Equity Shares	3,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of Payment	100% at the time of application	100% at the time of application

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled “*Issue Structure*” beginning on page 203 of this Draft Prospectus.

*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- Minimum fifty per cent to retail individual investors; and
- Remaining to: (i) individual applicants other than retail individual investors; and (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for; Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Offer to Public, please refer to chapter titled “*The Issue*” on page no. 34 of this Draft Prospectus.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the 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, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this draft prospectus, which our Company will apply for only after Allotment.

ISSUE PROGRAMME

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with NSE EMERGE	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE EMERGE	[●]

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the EMERGE Platform of NSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE EMERGE in accordance with the applicable laws.

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date when applications will be accepted only between 10:00 a.m. to 4:00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. 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 Retail Individual Investors 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 Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of 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 Retail Individual Investors 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 Retail Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such 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**”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to **continue with the UPI Phase II till further notice**. The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. The Issue will be 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.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, which came into effect from May 01, 2021 had put in place measures to have a uniform policy to further streamline the processing of ASBA applications through UPI process among intermediaries/SCSBs and also provided a mechanism of compensation to investors.

However, in view of the representations received from stakeholders, SEBI vide Circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 given some relaxation for the implementation timelines for the provisions of “the circular” which are as under:

- **SMS Alerts:** Para 9 of “the circular” prescribed the details to be sent by SCSB’s in SMS alerts. While SCSB’s shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc shall be included in SMS for Public Issues opening on/after January 01, 2022.
- **Web Portal for CUG:** For ease of doing business, Para 10 of “the circular” prescribed a web portal to be hosted by Sponsor Banks for closed user group (hereinafter referred to as “CUG”) entities. In view of the representations received from the stakeholders, it has been decided that:
 - ❖ The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
 - ❖ In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details prescribed in Para 10 of “the circular” to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI

handles/PSPs/TPAPS/SCSB's etc, the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.

- ❖ The Stock Exchanges and Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.

➤ **Completion of Unblocks by T+4:** Para 13 of “the circular” prescribed the process and timeline for ensuring the completion of unblocks pertaining to UPI mandates on T+4 (T: Issue Closing Date). while the process of unblocking shall be completed by T+4, in view of the representations received from stakeholders, the following shall be the revised timelines:

- ❖ The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
- ❖ The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
- ❖ Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1.
- ❖ To ensure that the unblocking is completed on T+4, the Lead Managers, on a continuous basis and before the opening of the public issue shall take up the matter with the SCSB's at appropriate level.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is upto Rs. 5 Lakhs shall use UPI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 (four) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft 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 this Draft Prospectus. Further, our Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

Phased implementation of Unified Payments Interface (UPI)

SEBI has issued the various UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by Retail Individual Investors through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by Retail Individual Investors through Designated Intermediaries (other

than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Managers.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants. However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

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 Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.

APPLICATION FORM

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, NSE (www.nseindia.com), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Retail Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Retail Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Retail Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Retail Individual Investors bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

* Excluding electronic Application Form.

*** Application forms will also be available on the website of the NSE (www.nseindia.com). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than Retail Individual Investors using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Retail Individual Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to Retail Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate Retail Individual Investors (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

WHO CAN APPLY?

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- i. Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- ii. Applications belonging to an account for the benefit of a minor (under guardianship);
- iii. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications from individuals;
- iv. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- v. QIBs;
- vi. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- vii. Qualified Foreign Investors subject to applicable law;
- viii. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- ix. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrespective constitutions to hold and invest in equity shares;
- x. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- xi. Insurance companies registered with IRDAI;

- xii. Mutual Funds registered with SEBI;
- xiii. FPIs other than Category III Foreign Portfolio Investor;
- xiv. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- xv. Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
- xvi. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications should not to be made by:

- i. Minors (except through their Guardians)
- ii. Partnership firms or their nominations
- iii. Foreign Nationals (except NRIs)
- iv. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the “U.S. Securities Act”) or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and 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.

The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE:

1. For Retail Individual Applicants:

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs 2,00,000. As the application price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, ***they can make Application only upto 3,000 Equity Shares.***

2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs 2,00,000 and in multiples of 3,000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

3. Minimum Bid Lot: 3,000 Equity Shares

BASIS OF ALLOTMENT

Allotment will be made in consultation with the Designated Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- 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 over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 3,000 Equity Shares the allotment will be made as follows:
 - i. Each successful applicant shall be allotted 3,000 Equity Shares;
 - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 3,000 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, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
 - As per Regulation 253(2) of the SEBI (ICDR) Regulations 2018, as the Retail Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - Remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - The unsubscribed portion in either of the categories specified in (i) or (ii) above may be available for allocation to the applicants in the other category, if so required.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the designated stock exchange.

The Executive Director/Managing Director of the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY MUTUAL FUNDS

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY ELIGIBLE NRI'S

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

APPLICATIONS BY HUF

Application by Hindu Undivided Families or HUFs should be in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications by individuals.

APPLICATIONS BY FPI'S

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) is not permitted to exceed 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 upto the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

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 a 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. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

APPLICATIONS BY BANKING COMPANIES

In case of Applications made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason therefor.

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 bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company 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 bank's interest on loans/investments made to a company. The bank is required to submit a timebound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial 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.

APPLICATIONS 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 applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

APPLICATIONS BY SEBI REGISTERED VENTURE CAPITAL FUNDS, ALTERNATIVE INVESTMENT FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

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 Regulations.

All Non-Resident Applicants including Eligible NRIs, 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 / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the draft prospectus with SEBI. However, such equity shares shall be locked in for a period of at least one year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the “IRDAI Investment Regulations”) are broadly set forth below:

- a) Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company 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 points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

APPLICATIONS BY PROVIDENT FUNDS/ PENSION FUNDS

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum

of association and articles of association and/ or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor.

APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application 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 this draft prospectus.

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

METHOD AND PROCESS OF APPLICATIONS

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for

unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

TERMS OF PAYMENT

The entire Issue price of ₹40/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs

shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sl. 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 Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form Number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
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 Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

ALLOCATION OF EQUITY SHARES

- 1) The Issue is being made through the Fixed Price Process wherein 1,44,000 Equity Shares shall be reserved for Market Maker and 27,06,000 Equity shares (Net Issue) will be allocated on a proportionate basis to Retail Individual Applicants, and Non-Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage and retail individual investors can withdraw or revise their bids till issue closure date.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation where the registered office of the Company is situated.

ISSUANCE OF ALLOTMENT ADVICE (CAN)

- 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. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

DESIGNATED DATES

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with NSE EMERGE	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE EMERGE	[●]

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the EMERGE Platform of NSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE EMERGE in accordance with the applicable laws

GENERAL INSTRUCTIONS**Do's:**

- Check if you are eligible as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals. All applicants (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process 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);

- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account or UPI ID, as applicable) in the Application Form if you are not a Retail Individual Investor bidding using the UPI Mechanism in the Application Form and if you are a Retail Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the draft prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only except as mentioned in *SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021*;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than one application from one bank account.
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the

stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com 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 Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centers 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.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Application Form

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the 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 the SME platform 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:

- Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance

with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

OTHER INSTRUCTIONS FOR THE APPLICANTS

Joint Applications

In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Applications

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

IMPERSONATION:

Attention of the application is specifically drawn to the provisions of the 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.
- d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount."

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 APPLICANT

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 Applicants should inform their respective DP.

GROUND FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third-party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000;

- Category not ticked;
- Multiple Applications as defined in this draft prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and draft prospectus as per the instructions in this draft prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by NSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

Names of entities responsible for finalizing the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Completion of Formalities for Listing & Commencement of Trading

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 6 (six) Working Days of the Issue Closing Date.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) The issue is 100% underwritten. Our company has entered into an Underwriting Agreement dated [●] with Lead Manager. For Further information, please refer section “*General Information*” beginning from page no 38 of this draft prospectus.
- b) A copy of prospectus will be filled with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

UNDERTAKINGS BY OUR COMPANY

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the issue by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- 6) That no further issue of securities shall be made till the securities offered through the draft prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

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 Issue, 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.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 5) The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

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 had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated July 08, 2022 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated July 07, 2022 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. **"INE0G1D01014"**.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the “automatic route”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “government route”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

RBI has also issued Master Direction- Foreign Investment in India dated January 4, 2018. In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are 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 Directions.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications 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 modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to consult their legal counsel, to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

**THE COMPANIES ACT 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
MEGA FLEX PLASTICS LIMITED[#]
INTERPRETATIONS**

Preliminary

*¹Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

Interpretation

I. 1. In these regulations—

- (a) “The Act” means the Companies Act, 2013,
- (b) “The Seal” means the common seal of the company.
- (c) “The Year” means 1st April to 31st March respectively.
- (d) “Seal” means the Common Seal of the Company

2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

Public Company

3. As per Section 2(71) of the Companies Act, 2013 “Public company” means a company which—

- a) Is not a Private Company
Provided that a Company which is a subsidiary of a Company, not being a Private Company, shall be deemed to be a Public Company for the purpose of this Act even where such Subsidiary Company continues to be a Private Company in its articles;

Share capital and in variation of rights

II. 1. Subject to the provisions of the Act and these Articles, the shares the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

*¹ Altered vide resolution passed at the Extra Ordinary General Meeting dated 29th June, 2022.

[#] Pursuant to conversion from private limited to public limited company, name of our company was changed from Mega Flex Plastics Private Limited to Mega Flex Plastics Limited vide resolution passed at the Extra Ordinary General Meeting dated 18th December, 2006.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, —
- (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
- (iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iv) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem ad equate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one- third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
9. Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered in compliance with the relevant provisions of Companies Act, 2013 and any other applicable law.

10. DEMATERIALISATION OF SHARES

- I. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act.
- II. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. 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 records the name of the allottee as the Beneficial Owner of the Security.
- III. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.
- IV. In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.
Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 and any other applicable section as amended of the Depositories Act shall apply so far as applicable.
- V. Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.
- VI. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

Lien

11. (i) The company shall have a first and paramount lien—
 - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Every fully paid shares shall be free from all lien and that in the case of partly paid shares the issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

12. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

13. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

14. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

15. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

16. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
19. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
20. The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

21. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
22. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
- (c) Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.
- (d) The common form of transfer shall be used by the Company.
23. The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
24. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

25. (i). On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii). Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

26. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
27. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as afore said as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
28. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

29. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time there after during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
30. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
31. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
32. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
33. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
34. (i) A duly verified declaration in writing that the Declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence

of the facts therein stated as against all persons claiming to be entitled to the share.

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(iii) The transferee shall thereupon be registered as the holder of the share.

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

35. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

36. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

37. Subject to the provisions of section 61, the company may, by ordinary resolution, —

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

38. Where shares are converted into stock, —

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

39. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalization of Profit

40. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution;
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
 - (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
 - (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - (E) The board shall give effect to the resolution passed by the company in pursuance of this regulation
41. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto.
 - (ii) The Board shall have power—
 - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
 - (iii) Any agreement made under such authority shall be effective and binding on such members.
 - (iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

Buy-back of shares

42. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

43. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
44. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

45. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
46. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
47. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
48. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

49. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares, — (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

60. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
The First Directors of the Company are:
1. **ANUP CHAND SETHIA**
 2. **BIMAL KUMAR SETHIA**
 3. **RAVINDRA KUMAR KOCHHAR**
 4. **RAKESH SETHIA**
 5. **DEPESH SETHIA**
 6. **RIPAN KOCHHAR**
61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
62. The Board may pay all expenses incurred in getting up and registering the company.
63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
64. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

67. MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S)/KEY MANAGERIAL PERSONNEL

The Managing Director or Whole Time Director shall be appointed in compliance with the Provisions of Companies Act, 2013 and any other applicable law in force.

68. Powers and duties of Managing Director or whole-time Director

The Managing Director/Whole-time Director shall be subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

Proceedings of the Board

69. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

70. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

71. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

72. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office .

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

73. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board

74. (i) A committee may elect a chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

75. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

76. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

77. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee,

shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

78. Subject to the provisions of the Act, —
- a. 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;
 - b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
79. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

80. (i) The Board shall provide for the safe custody of the seal
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

81. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
82. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
83. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
84. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
85. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
86. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent

through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

87. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

88. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

89. No dividend shall bear interest against the company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law.

Accounts

90. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

91. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

a. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

92. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION XII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the draft prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the prospectus delivered to the RoC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at 4, Ho Chi Minh Sarani, Suite-2A, 2nd Floor, Kolkata - 700071, West Bengal, India, from 10.00 am to 5.00 pm on all Working Days from the date of prospectus until the Issue Closing Date.

A. MATERIAL CONTRACTS TO THE ISSUE

1. Issue Agreement dated July 22, 2022 entered into among our Company and the Lead Manager.
2. Agreement dated July 08, 2022 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated July 08, 2022 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated July 07, 2022 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement [●] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company and the Lead Manager.

B. MATERIAL DOCUMENTS

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporations of our Company dated November 18, 2003 and February 01, 2007 issued by Registrar of Companies.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated June 01, 2022 and June 29, 2022 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company as at and for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020.
5. Peer Review Auditors Report dated July 20, 2022 on Restated Financial Statements of our Company as at and for financial year ended March 31, 2022, March 31, 2021 and March 31, 2020.
6. Copy of Statement of tax benefits dated July 20, 2022 from the Statutory Auditor included in this draft prospectus.
7. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue, Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the draft prospectus to act in their respective capacities.
8. In-principle listing approval dated [●] from the National Stock Exchange of India Limited for listing the Equity Shares on the EMERGE Platform of NSE.
9. Due Diligence certificate dated [●] submitted to SEBI after filing the prospectus with RoC.

Any of the contracts or documents mentioned in this draft prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this draft prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Mohan Lal Parakh DIN: 02186254 Chairman & Wholetime Director	Sd/-
Mr. Hukum Chand Bothra DIN: 00550653 Managing Director	Sd/-
Mr. Rakesh Sethia DIN: 00409033 Executive Director	Sd/-
Mrs. Aakriti Agarwal DIN: 09053941 Independent Director	Sd/-
Mrs. Puja Daga DIN: 09594635 Independent Director	Sd/-
Mr. Alok Kanodia DIN: 09594643 Independent Director	Sd/-

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER	SIGNED BY THE CHIEF FINANCIAL OFFICER
Sd/-	Sd/-
Mrs. Parul Mantri	Mr. Sanjay Kumar Singh

Dated: July 25, 2022

Place: Kolkata, West Bengal