RED HERRING PROSPECTUS
Dated December 2, 2023
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

(Please scan this QR code to view the Red Herring Prospectus)

DOMS INDUSTRIES LIMITED

CORPORATE IDENTITY NUMBER: U36991GJ2006PLC049275

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
J-19, G.I.D.C, Opp. Telephone Exchange, Umbergaon – 396 171, Dist. Valsad, Gujarat, India	Plot No. 117, 52 Hector Expansion Area, G.I.D.C., Umbergaon– 396 171, Dist. Valsad, Gujarat, India	Mitesh Padia *Company Secretary and Compliance Officer*	**Email:** ir@domsindia.com **Telephone:** +91 74348 88445	www.domsindia.com

PROMOTERS OF OUR COMPANY: SANTOSH RASIKLAL RAVESHIA, SANJAY MANSUKHLAL RAJANI, KETAN MANSUKHLAL RAJANI, CHANDNI VIJAY SOMAIYA, AND F.I.L.A. - FABBRICA ITALIANA LAPIS ed AFFINI S.p.A.

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QUALIFIED INSTITUTIONAL BIDDERS, NON-INSTITUTIONAL BIDDERS AND RETAIL INSTITUTIONAL BIDDERS
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹3,500.00 million	Up to [●] Equity Shares aggregating up to ₹8,500.00 million	Up to [●] Equity Shares aggregating up to ₹12,000.00 million	This Offer is being made in compliance with Regulation 6(2) of the SEBI ICDR Regulations, as our Company did not fulfil requirements under Regulation 6(1) of the SEBI ICDR Regulations, as our Company does not fulfill requirements under Regulation 6(1)(b) of the SEBI ICDR Regulations of having operating profit in each of the preceding three years. For further details, see '*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*' on page 406. For details of share reservation among Qualified Institutional Bidders ("**QIBs**"), Non-Institutional Bidders ("**NIBs**"), Retail Institutional Bidders ("**RIBs**") and Eligible Employees, see the section titled "*Offer Structure*" on page 429

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAMES OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED/AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A.	Corporate Promoter	Up to [●] Equity Shares aggregating up to ₹8,000.00 million	101.53
Sanjay Mansukhlal Rajani	Individual Promoter	Up to [●] Equity Shares aggregating up to ₹250.00 million	0.03
Ketan Mansukhlal Rajani	Individual Promoter	Up to [●] Equity Shares aggregating up to ₹250.00 million	0.03

**As certified by M.I. Shah & Co., Chartered Accountants by way of their certificate dated December 2, 2023*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Offer Price as determined by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under the section titled "*Basis for the Offer Price*" on page 111, 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 and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 32.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by or confirmed by such Selling Shareholder in this Red Herring Prospectus solely in relation to itself and the portion of Offered Shares being offered by it, and confirms that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements, disclosures and undertakings, including, inter alia, any of the statements, disclosures or undertakings made or confirmed by or relating to our Company or in relation to our business or any other Selling Shareholders or any other person(s) in this Red Herring Prospectus.

LISTING

The Equity Shares offered through this Red Herring Prospectus, are proposed to be listed on the BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" and together with BSE, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated October 11, 2023. For the purposes of the Offer, the Designated Stock Exchange shall be BSE.

BOOK RUNNING LEAD MANAGERS

NAME OF THE BRLM AND LOGO		CONTACT PERSON	EMAIL AND TELEPHONE
JM FINANCIAL	**JM Financial Limited**	Prachee Dhuri	**Telephone**: +91 22 6630 3030 **E-mail**: doms.ipo@jmfl.com
BNP PARIBAS	**BNP Paribas**	Piyush Ramchandani	**Telephone:** +91 22 3370 4000 **E-mail**: dl.doms.ipo@bnpparibas.com
ICICI Securities	**ICICI Securities Limited**	Namrata Ravasia / Harsh Thakkar	**Telephone:** +91 22 6807 7100 **E-mail**: doms.ipo@icicisecurities.com
IIFL SECURITIES	**IIFL Securities Limited**	Yogesh Malpani / Pawan Kumar Jain	**Telephone**: +91 22 4646 4728 **E-mail**: doms.ipo@iiflcap.com

REGISTRAR TO THE OFFER

NAME	CONTACT PERSON	EMAIL AND TELEPHONE
Link Intime India Private Limited	Shanti Gopalkrishnan	**E-mail**: domsind.ipo@linkintime.co.in **Telephone**: +91 810 811 4949

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE	Tuesday, December 12, 2023*	**BID/OFFER OPENS ON**	Wednesday, December 13, 2023*	**BID/OFFER CLOSES ON**	Friday, December 15, 2023#

**Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid on the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

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

RED HERRING PROSPECTUS
Dated December 2, 2023
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

DOMS INDUSTRIES LIMITED

Our Company was originally incorporated as "*Writefine Products Private Limited*" as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 24, 2006, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The name of our Company was subsequently changed to "*DOMS Industries Private Limited*" and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**") on April 21, 2017. Upon the conversion of our Company into a public limited company, pursuant to the approval accorded by our Shareholders at their extra-ordinary general meeting held on July 14, 2023, the name of our Company was changed to "*DOMS Industries Limited*" and a fresh certificate of incorporation consequent upon change of name upon conversion to public limited company was issued to our Company by the RoC on August 3, 2023. For further details relating to the changes in the name of our Company and the Registered Office of our Company, see the section titled "*History and Certain Corporate Matters*" on page 237.

Corporate Identity Number: U36991GJ2006PLC049275
Registered Office: J-19, G.I.D.C, Opp. Telephone Exchange, Umbergaon – 396 171, Dist. Valsad, Gujarat, India; **Corporate Office**: Plot No. 117, 52 Hector Expansion Area, G.I.D.C., Umbergaon– 396 171, Dist. Valsad, Gujarat, India
Telephone: +91 74348 88445; **Website**: www.domsindia.com
Contact Person: Mitesh Padia, Company Secretary and Compliance Officer
E-mail: ir@domsindia.com

PROMOTERS OF OUR COMPANY: SANTOSH RASIKLAL RAVESHIA, SANJAY MANSUKHLAL RAJANI, KETAN MANSUKHLAL RAJANI, CHANDNI VIJAY SOMAIYA, AND F.I.L.A. - FABBRICA ITALIANA LAPIS ed AFFINI S.p.A.

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF DOMS INDUSTRIES LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹12,000.00 MILLION ("OFFER"), COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹3,500.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹8,500.00 MILLION COMPRISING OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹8,000.00 MILLION BY F.I.L.A. - FABBRICA ITALIANA LAPIS ed AFFINI S.p.A., UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹250.00 MILLION BY SANJAY MANSUKHLAL RAJANI, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹250.00 MILLION BY KETAN MANSUKHLAL RAJANI (COLLECTIVELY, "SELLING SHAREHOLDERS" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, "OFFER FOR SALE").

THIS OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹50.00 MILLION (CONSTITUTING UP TO [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY OFFER A DISCOUNT OF UP TO [●]% (EQUIVALENT OF ₹[●] PER EQUITY SHARE) TO THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND, THE EMPLOYEE DISCOUNT AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN ALL EDITIONS OF THE FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND THE VAPI AND SELVASE EDITION OF DAMANGANGA TIMES (A WIDELY CIRCULATED GUJARATI DAILY NEWSPAPER, GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

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

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. This Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**") in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, (a) not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders ("**Non-Institutional Portion**") (out of which one third of the Non-Institutional Portion shall be reserved for Bidders with Bids exceeding ₹0.20 million up to ₹1.00 million and two-thirds of the Non-Institutional Portion shall be reserved for Bidders with Bids exceeding ₹1.00 million) and under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price); and (b) not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders ("**Retail Portion**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (*defined hereinafter*), which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank(s), as the case may be, to the extent of their respective Bid Amounts. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see the section titled "*Offer Procedure*" on page 433.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Offer Price, Floor Price or Cap Price as determined and justified by our Company, in consultation with the BRLMs, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under the section titled "*Basis for the Offer Price*" on page 111, 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 and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 32.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by or confirmed by such Selling Shareholder in this Red Herring Prospectus solely in relation to itself and the portion of Offered Shares being offered by it, and confirms that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements, disclosures and undertakings, including, inter alia, any of the statements, disclosures or undertakings made or confirmed by or relating to our Company or in relation to our business or any other Selling Shareholders or any other person(s) in this Red Herring Prospectus.

LISTING

The Equity Shares offered through this Red Herring Prospectus, are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated October 11, 2023. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, see the section titled "*Material Contracts and Documents for Inspection*" on page 484.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
JM FINANCIAL	BNP PARIBAS	ICICI Securities	IIFL SECURITIES	LINK Intime
JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India **Telephone**: +91 22 6630 3030 **E-mail**: doms.ipo@jmfl.com **Investor grievance E-mail**: grievance.ibd@jmfl.com **Website**: www.jmfl.com **Contact person**: Prachee Dhuri **SEBI registration number**: INM000010361	**BNP Paribas** 1 North Avenue, Maker Maxity, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Maharashtra, India **Telephone:** +91 22 3370 4000 **E-mail:** dl.doms.ipo@bnpparibas.com **Investor grievance E-mail:** indiainvestors.care@asia.bnpparibas.com **Website:** www.bnpparibas.co.in **Contact person:** Piyush Ramchandani **SEBI Registration number:** INM000011534	**ICICI Securities Limited** ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India **Telephone**: +91 22 6807 7100 **E-mail**: doms.ipo@icicisecurities.com **Investor grievance E-mail**: customercare@icicisecurities.com **Website**: www.icicisecurities.com **Contact person**: Namrata Ravasia / Harsh Thakkar **SEBI registration number**: INM000011179	**IIFL Securities Limited** 24th Floor, One Lodha Place, Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 Maharashtra, India **Telephone:** +91 22 4646 4728 **E-mail :** doms.ipo@iiflcap.com **Investor grievance E-mail** : ig.ib@iiflcap.com **Website**: www.iiflcap.com **Contact person** : Yogesh Malpani / Pawan Kumar Jain **SEBI Registration number** : INM000010940	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400 083, Maharashtra, India Telephone: +91 810 811 4949 **E-mail**: domsind.ipo@linkintime.co.in **Investor grievance E-mail**: domsind.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Contact person:** Shanti Gopalkrishnan **SEBI registration number**: INR000004058

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE	Tuesday, December 12, 2023*
BID/OFFER OPENS ON	Wednesday, December 13, 2023*
BID/ OFFER CLOSES ON	Friday, December 15, 2023#

**Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid on the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

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

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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.

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

Notwithstanding the foregoing, terms in the sections titled "Description of Equity Shares and Terms of the Articles of Association", "Statement of Possible Special Tax Benefits", "Industry Overview", "Key Regulations and Policies in India", "Basis for the Offer Price", "Restrictions on Foreign Ownership of Indian Securities", "Financial Information" and "Outstanding Litigation and Material Developments" on pages 457, 126, 133, 230, 111, 455, 283 *and* 395 *respectively, will have the meaning ascribed to such terms in those respective sections.*

General terms

Term	Description
our Company/the Company/the Issuer	DOMS Industries Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at J-19, G.I.D.C, Opp. Telephone Exchange, Umbergaon – 396 171, Dist. Valsad, Gujarat, India
We/us/ our	Unless the context otherwise indicates or implies, refers to our Company, and our Subsidiaries on a consolidated basis.

Company related terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended
Associate	Clapjoy Innovations Private Limited
Audit Committee	Audit committee of our Board, as described in "*Our Management-Committees of our Board"* on page 258
Auditors/ Statutory Auditors	The statutory auditors of our Company, being B S R & Co. LLP, Chartered Accountants
Board/ Board of Directors	The board of directors of our Company, as constituted from time to time
Chief Financial Officer/CFO	The chief financial officer of our Company, being Rahul Shah. For further information, see "*Our Management- Brief profiles of our Key Managerial Personnel"* on page 268
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Mitesh Padia. For further information, see the section titled "*General Information*" on page 77
Corporate Office	The corporate office of our Company, situated at Plot No. 117, G.I.D.C., 52 Hector Expansion Area, Umbergaon– 396 171, Dist. Valsad, Gujarat, India
Corporate Promoter/ Corporate Promoter Selling Shareholder/ FILA	F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.
CSR Committee/ Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, as described in "*Our Management - Committees of our Board*" on page 258
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹10 each
ESOP Plan 2023	DOMS Industries Limited Employee Stock Option Plan 2023
Executive Director(s)	The executive directors on our Board, described in the section titled "*Our Management*" on page 249
GIDC	Gujarat Industrial Development Corporation

Term	Description
Group Companies	Group companies of our Company, in accordance with the SEBI ICDR Regulations and the Materiality Policy. For further details, see the section titled "*Group Companies*" on page 279
Independent Director(s)	Non-executive and independent director(s) of our Company who are eligible to be appointed as independent director(s) under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "*Our Management- Board of Directors*" on page 249
Indian Shareholders	Santosh Rasiklal Raveshia, Sejal Santosh Raveshia, Chandni Vijay Somaiya, Sheetal Hiren Parpani, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani and Shilpa Ketan Rajani
Individual Promoter Selling Shareholders	Sanjay Mansukhlal Rajani and Ketan Mansukhlal Rajani
Individual Promoters	Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani and Chandni Vijay Somaiya
IPO Committee	The IPO committee of our Board constituted in accordance with Board resolution dated July 20, 2023
Jammu Manufacturing Facility	One manufacturing facility of our Company located at Bari Brahma in Jammu, India
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as further described in "*Our Management-Key Managerial Personnel and Senior Management Personnel*" on page 268
Managing Director	The managing director of our Company, being Santosh Rasiklal Raveshia. For further information, see "*Our Management – Brief profiles of our Directors*" on page 253
Manufacturing Facilities	Collectively, Umbergaon Manufacturing Facilities and Jammu Manufacturing Facility
Material Subsidiary	The material subsidiary of our Company in accordance with SEBI Listing Regulations, namely, Pioneer Stationery Private Limited
Materiality Policy	The policy adopted by our Board on August 17, 2023, for identification of: (a) outstanding material litigation proceedings; (b) Group Companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "*Our Management - Committees of our Board*" on page 258
Non-Executive Director(s)	The non-executive non-independent Directors on our Board, described in the section titled "*Our Management*" on page 249
Project Report	The report titled "*Capital Expenditure Report for the Proposed Project for the Manufacturing Unit at Umbergaon, District Valsad, State Gujarat*" dated November 25, 2023, prepared by Oriens Advisors LLP, in connection with the proposed manufacturing unit at Umbergaon, Gujarat
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in the section titled "*Our Promoters and Promoter Group*" on page 272
Promoters	The promoters of our Company in terms of Regulation 2(1)(oo) of the SEBI ICDR Regulations namely, FILA, Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, and Chandni Vijay Somaiya
Registered Office	The registered office of our Company, situated at J-19, G.I.D.C, Opp. Telephone Exchange, Umbergaon – 396 171, Dist. Valsad, Gujarat, India
Registrar of Companies/RoC	The Registrar of Companies, Gujarat at Ahmedabad
Restated Consolidated Financial Information	The restated consolidated financial information of our Company, our Subsidiaries and our Associate as at and for the Fiscals ended March 31, 2021, March 31, 2022 and March 31, 2023 and as at and for the six months period ended September 30, 2023, which comprises the restated consolidated balance sheet as at March 31, 2021, March 31, 2022, March 31, 2023 and September 30, 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the Fiscals ended March 31, 2021, March 31, 2022 and March 31, 2023 and for the six months period ended September 30, 2023, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time

Term	Description
Risk Management Committee	The risk management committee of our Board, as described in "*Our Management - Committees of our Board*" on page 258
Selling Shareholders	The Selling Shareholders participating in the Offer, being FILA, Sanjay Mansukhlal Rajani and Ketan Mansukhlal Rajani
Senior Management Personnel/SMP	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as further described in "*Our Management-Key Managerial Personnel and Senior Management Personnel*" on page 268
Shareholders	The holders of the Equity Shares from time to time
SHA	Amended and Restated Shareholders' Agreement dated October 26, 2015 executed by and among our Company, FILA, Santosh Rasiklal Raveshia, Sejal Santosh Raveshia, Chandni Vijay Somaiya, Sheetal Hiren Parpani, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani and Shilpa Ketan Rajani
Waiver cum Amendment Agreement	Waiver cum Amendment Agreement dated August 17, 2023 to the SHA entered between our Company, FILA and the Indian Shareholders
SIDCO	Jammu & Kashmir State Industrial Development Corporation Limited
Stakeholders Relationship Committee/ SR Committee	The stakeholders' relationship committee of our Board as described in "*Our Management - Committees of our Board*" on page 258
Subsidiaries	The subsidiaries of our Company as on the date of this Red Herring Prospectus, namely, Pioneer Stationery Private Limited and Micro Wood Private Limited as described in the section titled "*Our Subsidiaries and our Associate*" on page 245 For the purpose of financial information included in this Red Herring Prospectus, "subsidiaries" would mean subsidiaries of our Company as at and for the relevant Financial Year
Technopak	Technopak Advisors Private Limited
Technopak Report	The report titled "*Industry Report on the Stationery and Art Material Market in India*" dated November 23, 2023 issued by Technopak, which has been exclusively commissioned and paid for by our Company specifically in connection with the Offer
Umbergaon Manufacturing Facilities	13 manufacturing facilities of our Company and Subsidiaries located in Umbergaon, Gujarat
Whole Time Director(s)	The whole-time director of our Company, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani and Chandni Vijay Somaiya. For further information, see "*Our Management – Brief profiles of our Directors*" on page 253

Offer related terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of at least ₹100.00 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs during the Anchor Investor Bidding Date
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs

Term	Description
	will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidder with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the amount specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder Bidding through the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Bankers to the Offer	Collectively, the Escrow Collection Bank, Refund Bank, Sponsor Banks and Public Offer Account Bank, as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in section titled "*Offer Procedure*" on page 433
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million (net of Employee Discount) subject to the total Allotment to an Eligible Employee not exceeding ₹0.20 million (net of Employee Discount)
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid(s)	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the

Term	Description
	Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of this Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid/ Offer Period	Except in relation to Bids by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of this Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors In cases of *force majeure*, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Friday, December 15, 2023, which shall be published in all editions of The Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Vapi and Selvase edition of Damanganga (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located) In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and will also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank(s) and shall also be notified in an advertisement in the same newspapers in which the advertisement for Bid / Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being Wednesday, December 13, 2023, which shall be published in all editions of The Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Vapi and Selvase edition of Damanganga (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located). In case of any revision, the extended Bid/ Offer Opening Date shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and will also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members, and by intimation to the Designated Intermediaries and the Sponsor Bank(s) and shall also be notified in an advertisement in the same newspapers in which the Bid / Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs
BNPP	BNP Paribas
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLMs	The book running lead managers to the Offer namely, JM Financial, BNP Paribas, ICICI Securities and IIFL Securities
Broker Centres	Broker centres of the Registered Brokers as notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms, provided that RIBs may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Cap Price	The higher end of the Price Band i.e., ₹[●] per Equity Share, subject to any revisions thereof, above which the Offer Price and the Anchor Investor Offer Price will not be

Term	Description
	finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members and Bankers to the Offer in accordance with the UPI Circulars, for, among other things, the appointment of the Escrow and Sponsor Banks, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI and available on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com
Confirmation of Allocation Note/ CAN	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cut-off Price	Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation, bank account details, PAN and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) as updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of this Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs, NIBs Bidding with an application size of up to ₹0.50 million (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, Registered Brokers, CDPs SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and NIBs with an application size of more than ₹0.50 million (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs and CRTAs
Designated RTA Locations	Such locations of the CRTAs where ASBA Bidders can submit the ASBA Forms to CRTAs The details of such Designated RTA Locations, along with names and contact details of the CRTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time

Term	Description
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus/ DRHP	The draft red herring prospectus dated August 22, 2023 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible Employee(s)	Permanent employees of our Company or of our Subsidiaries, as may be decided (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of this Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or our Subsidiaries, as applicable, until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form, but not including (i) our Promoters; (ii) persons belonging to our Promoter Group; or (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Only in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be available for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount)
Eligible FPI(s)	FPIs, from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitutes an invitation to subscribe or purchase the Equity Shares offered thereby
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase the Equity Shares offered thereby
Employee Discount	A discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) as may be offered by our Company, in consultation with the BRLMs, to Eligible Employees and which shall be announced at least two Working Days prior to the Bid/Offer Opening Date
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares, aggregating to ₹50.00 million, which shall not exceed 5% of the post Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	The Bank which is a clearing member and registered with SEBI as banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being HDFC Bank Limited
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band i.e., ₹[●] per Equity Share, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of up to [●] Equity Shares by our Company, at ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹3,500.00 million
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by

Term	Description
	SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The Offer proceeds from the Fresh Issue
ICICI Securities	ICICI Securities Limited
IIFL Securities	IIFL Securities Limited
JM Financial	JM Financial Limited
June 2021 Circular	SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021
March 2021 Circular	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	The agreement dated December 2, 2023, entered into between our Company and the Monitoring Agency
Mutual Fund	Mutual funds registered with SEBI under the SEBI Mutual Funds Regulations
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Offer less our Company's share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see the section titled "*Objects of the Offer*" on page 101
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidders/ NIBs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or RIBs and who have Bid for Equity Shares for an amount more than ₹0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation to NIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which i) one third shall be reserved for Bidders with Bids exceeding ₹0.20 million up to ₹1.00 million; and ii) two-thirds shall be reserved for Bidders with Bids exceeding ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of NIBs subject to valid Bids being received at or above the Offer Price
Non-Resident / NR	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each (including a share premium of ₹[●] each), aggregating up to ₹12,000.00 million by our Company comprising Fresh Issue and Offer for Sale
Offer Agreement	The agreement dated August 22, 2023 among our Company, the Selling Shareholders and the BRLMs (the "**Offer Agreement Parties**"), pursuant to which certain arrangements are agreed to in relation to the Offer, and the amendment thereto dated November 25, 2023, executed by the Offer Agreement Parties
Offer for Sale	The offer for sale by the Selling Shareholders comprising of an aggregate of up to [●] Equity Shares at the Offer Price aggregating up to ₹8,500.00 million by the Selling Shareholders
Offer Price	₹[●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to ASBA Bidders in terms of this Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Red Herring Prospectus The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of this Red Herring Prospectus A discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion.

Term	Description
	This Employee Discount (if any) will be decided by our Company, in consultation with the Book Running Lead Managers, on the Pricing Date in accordance with the Book Building Process and this Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 101
Offered Shares	The cumulative number of Equity Shares being offered by the Selling Shareholders in the Offer for Sale comprising of an aggregate of up to [•] Equity Shares aggregating up to ₹8,500.00 million
Price Band	Price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of The Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Vapi and Selvase edition of Damanganga (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account Bank	The bank which is a clearing member registered with SEBI under the SEBI BTI Regulations, and with which the Public Offer Account is opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited
Public Offer Account	The 'no-lien' and 'non-interest bearing' bank account to be opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
QIB Category/ QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Offer, consisting of [●] Equity Shares aggregating to ₹[●] million which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/ RHP	This red herring prospectus dated December 2, 2023, issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto The Bid/Offer Opening Date shall be at least three Working Days after the filing of this Red Herring Prospectus with the RoC. This Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank	The Banker to the Offer which is a clearing member registered with SEBI under the SEBI BTI Regulations with whom the Refund Account will be opened, in this case being HDFC Bank Limited
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, and the UPI Circulars, issued by SEBI

Term	Description
Registrar Agreement	The agreement dated August 17, 2023 entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI and in terms of the UPI Circulars
Registrar to the Offer/ Registrar	Link Intime India Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s)/ RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not more than 10% of the Offer consisting of [●] Equity Shares aggregating to ₹[●] million, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
SCORES	SEBI Complaints Redress System
Self-Certified Syndicate Bank(s)/ SCSB(s)	The banks registered with SEBI, offering services: (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Form from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Form from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs Mobile Apps A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, Link Intime India Private Limited
Share Escrow Agreement	Agreement dated December 1, 2023, entered into among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Offered Shares by the Selling Shareholders and credit of such Offered Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form

Term	Description
Sponsor Banks	The Bankers to the Offer registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being Axis Bank Limited and HDFC Bank Limited
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	Agreement dated December 2, 2023, entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Form by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, JM Financial Services Limited and Sharekhan Limited
Syndicate/Members of the Syndicate	Together, the BRLMs and the Syndicate Members
Systemically Important Non-Banking Financial Company/ NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	Underwriting agreement to be entered into among the Underwriters, our Company and each of the Selling Shareholders on or after the Pricing Date but prior to filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Individuals applying as Non-Institutional Bidders with an application size of up to ₹0.50 million in the Non-Institutional Portion and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Collecting Registrar and Share Transfer Agents Pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹0.50 million are required to use UPI Mechanism and are required to provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, March 2021 Circular, June 2021 Circular, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders using the UPI Mechanism initiated by the Sponsor Bank(s) to authorize

Term	Description
	blocking of funds on the UPI application equivalent to the Bid Amount, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make Bids in the Offer in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai, Maharashtra, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Maharashtra, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Saturdays and Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars

Conventional and general terms and abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AIF	Alternate investment fund
BSE	BSE Limited
CAGR	Compounded annual growth rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996 read with the rules and regulations thereunder
Depository or Depositories	NSDL and CDSL
DIN	Director identification number
DP ID	Depository participant's identification number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EGM	Extraordinary general meeting
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FI	Financial institutions
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GoI / Central Government	Government of India

Term	Description
GST	Goods and services tax
HUF	Hindu undivided family
I.T. Act	The Income-tax Act, 1961
ICAI	The Institute of Chartered Accountants of India
IFRS	International financial reporting standards
Ind AS	Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India, being, accounting principles generally accepted in India including the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended
IPO	Initial public offer
IT	Information technology
IT Act	The Information Technology Act, 2000
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal cost of fund-based lending rate
Mn/ mn	Million
N.A.	Not applicable
NACH	National automated clearing house
NAV	Net asset value
NEFT	National electronic fund transfer
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National Payments Corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
R&D	Research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on net worth
Rs. / Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	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 BTI Regulations	Securities and Exchange Board of India (Bankers to an Offer) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Offer of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

Term	Description
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a state of India
U.S. Securities Act	United States Securities Act of 1933, as amended
US GAAP	Generally Accepted Accounting Principles in the United States of America
USA/ U.S. / US	The United States of America
USD / US$	United States Dollars
VAT	Value added tax
VCF(s)	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

Technical and Industry Related Terms

Term	Description
DMS	Distribution management systems
EBIT	EBIT is calculated as profit before tax and share of associates plus finance costs
EBITDA	EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information
EBITDA Margin	EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations as per the Restated Consolidated Financial Information
FILA Group	Our Corporate Promoter and all companies, entities, promoted or controlled directly and indirectly by our Corporate Promoter
Gross fixed assets turnover	Gross fixed assets turnover is calculated as revenue from operations divided by gross property, plant and equipment as per the Restated Consolidated Financial Information
Gross Margin	Gross margin is calculated as a percentage of gross profit divided by revenue from operations
Gross Product Sales	Gross Product Sales is calculated as revenue from sale of products as per the Restated Consolidated Financial Information, gross of sales incentives, rebates, and discounts
Gross Product Sales break up by distribution channel	Gross Product Sales break up by distribution channel provides the split of gross product sales by different distribution channels across domestic and export sales
Gross Product Sales break up by product category	Gross Product Sales break up by product category provides the split of gross product sales by different product categories
Gross Profit	Gross profit is calculated as revenue from operations less cost of material consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress as per the Restated Consolidated Financial Information
Growth in revenue from operations	Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year
Net debt (borrowings)	Net debt (borrowings) is calculated as total debt as reduced by cash and cash equivalents and bank balances other than cash & cash equivalents
Net worth	Net Worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation
PAT	PAT represents total profit for the year as per the Restated Consolidated Financial Information
PAT Margin	PAT margin is calculated as a percentage of PAT divided by revenue from operations as per the Restated Consolidated Financial Information

Term	Description
Return on Net worth	Return on Net worth attributable to the owners of our Company (%) = Restated profit / (loss) for the year attributable to owners of the Company / Net worth attributable to owners of the Company
Revenue from operations	Revenue from operations is calculated as revenue from sale of products and other operating income as per the Restated Consolidated Financial Information
ROE	ROE is calculated as a percentage of PAT divided by average total equity at beginning and end of the year as per the Restated Consolidated Financial Information
ROCE	ROCE is calculated as a percentage of earnings before interest and taxes / total equity plus total borrowings plus deferred tax liabilities minus deferred tax assets as per the Restated Consolidated Financial Information
SKU	Stock keeping unit

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

Certain Conventions

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

All references herein to the "US", "USA", the "U.S." or the "United States" are to the United States of America and its territories and possessions.

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

Financial data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year. Certain other financial information pertaining to our Subsidiaries, Associate and Group Companies are derived from their respective audited financial statements.

Unless indicated otherwise or the context requires otherwise, the financial information and financial ratios in this Red Herring Prospectus have been derived from the Restated Consolidated Financial Information. For further information, see the section titled "*Restated Consolidated Financial Information*" on page 283.

The Restated Consolidated Financial Information comprises the restated consolidated statement of assets and liabilities as at March 31, 2021, March 31, 2022, March 31, 2023 and the six months period ended September 30, 2023; the restated consolidated statement of profit and loss (including other comprehensive income); the restated consolidated statement of changes in equity; the restated consolidated statement of cash flow for the Fiscals ended March 31, 2021, March 31, 2022 and March 31, 2023 and the six months period ended September 30, 2023 and the summary statement of significant accounting policies and other explanatory information prepared in terms of the requirements of Section 26 of Part I of the Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time and included in the section titled "*Financial Information*" on page 283.

The standalone and consolidated audited financial statements of our Company, as at and for the Financial Year ended March 31, 2021, were audited under Indian GAAP. Accordingly, per the requirements of the applicable law, the Statutory Auditors have undertaken a special purpose audit of the financial statements of our Company for the year ended March 31, 2021, on a consolidated basis, in accordance with Ind AS and the 'Standards on Auditing' specified under applicable law. The special purpose audit was undertaken specifically for the purposes of the Offer and also in order to allow the Statutory Auditor to prepare the Restated Consolidated Financial Information. There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, US GAAP and IFRS, see "*Risk Factors – External Risk Factors – 55. Accounting principles - Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and US GAAP, with which investors may be more familiar."* on page 62. The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Any percentage amounts or ratios (excluding certain operational metrics) relating to the financial information of our Company, as set forth in the sections titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 32, 201 and 356, respectively, and elsewhere in this Red Herring Prospectus, unless otherwise stated or context requires otherwise, have been derived from Restated Consolidated Financial Information, as applicable.

Non-GAAP Financial Measures

Certain measures included in this Red Herring Prospectus, for instance, Gross Product Sales, EBITDA, EBITDA Margin, ROE, and PAT margin (the **"Non-GAAP Measures''**), presented in this Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS or US GAAP. Further, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Further, they may have limited utility as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further information, see the section titled "*Management's Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Measures*" and "*Risk Factors – Internal Risk Factors – Other risks – 48. Non-GAAP measures - Certain non-GAAP financial measures and performance indicators used in this Red Herring Prospectus to review and analyse our financial and operating performance may have limitations as analytical tools, may vary from any standard methodology applicable across the manufacturing industry in which we operate, and may not be comparable with financial or statistical information of similar nomenclature computed and presented by other companies*" on pages 358 and 60 respectively.

Industry and market data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the report titled "*Industry Report on the Stationery and Art Material Market in India*" dated November 23, 2023, prepared by Technopak ("**Technopak Report**"), which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned and paid for by our Company, pursuant to a letter of authorization dated March 17, 2023. The Technopak Report is available on the website of our Company at the following web-link: https://www.domsindia.com/industry-report/. Technopak is an independent agency which has no relationship with our Company, our Promoters, any of our Directors, Key Managerial Personnel, Senior Management Personnel, or the Book Running Lead Managers.

For details of risks in relation to Technopak Report, see "*Risk Factors – Internal Risk Factors – Other risks – 45. Industry Data - Industry information included in this Red Herring Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us*." on page 59.

The Technopak Report is subject to the following disclaimer:

"This information package is distributed by Technopak Advisors Private Limited (hereinafter "Technopak") on a strictly private and confidential and on a 'need to know' basis exclusively to the intended recipient. This information package and the information and projections contained herein may not be disclosed, reproduced or used in whole or in part for any purpose or furnished to any other person(s). The person(s) who is/are in possession of this information package or may come in possession at a later day hereby undertake(s) to observe the restrictions contained herein. The information contained herein is of a general nature and is not intended to

address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for investment decisions. No one should act upon such information without taking appropriate additional professional advice and/or thorough examination of the particular situation. Technopak and its directors, employees, agents and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any loss arising out of making any investment decision by placing reliance on the statements, opinions, information or matters (expressed or implied) arising out of, contained in or derived from, or of any omissions from the information package and any liability whatsoever for any direct, indirect, consequential or other loss in the information package."

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The extent to which the industry and market data presented in this Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies, and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors – Internal Risk Factors – Other risks – 45. Industry Data - Industry information included in this Red Herring Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us"* on page 59. Accordingly, no investment decision should be solely made on the basis of such information.

In accordance with the disclosure requirements under the SEBI ICDR Regulations, the section titled *"Basis for the Offer Price"* on page 111 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified therein and accordingly, no investment decision should be made solely on the basis of such information.

Currency and Units of Presentation

All references to:

- "Rupees" or "INR" or "₹" or "Rs." Are to Indian Rupees, the official currency of the Republic of India; and
- "U.S $", "U.S. Dollar", "USD" are to United States Dollars, the official currency of the United States of America; and
- "EUR" or "€"are to the Euro, the official currency of the European Union

All the figures in this Red Herring Prospectus, except for figures derived from the Technopak Report (which are in million or billion), have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents '10 lakhs' or 1,000,000 and one billion represents '10,000 lakhs' or 1,000,000,000. Certain figures contained in this Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the ₹ and certain foreign currency(ies):

(in ₹)

Currency	As at#			
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	**September 30, 2023**
1 USD	73.50	75.81	82.22	83.06
1 EUR	85.96	84.09	89.61	87.94

Source: www.rbi.org.in and on www.fbil.org.in.
Note: Exchange rate is rounded off to two decimal points.
#On instances where the given day is a holiday, the exchange rate from the previous working day has been considered.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "will continue", "seek to", "will achieve", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue, and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

1. Any decline in the Gross Product Sales of our key products in general or specifically 'wooden pencils';
2. Failure to manage our 'general trade' distribution network efficiently given our dependence on our 'general trade' distribution network for a significant portion (more than 70.00%) of our Gross Product Sales;
3. In the event FILA ceases to be a Promoter, disassociates with us, or any damage to the reputation of the FILA Group since we are dependent on FILA Group for our business operations and in particular for our export sales;
4. Lack of any formal contracts or exclusive arrangement with our suppliers;
5. Inability to compete effectively;
6. Breakdown or shutdown of our Manufacturing Facilities; and
7. Failure to respond to changing consumer preferences or evolving trends and successfully launch new products or SKUs in the market.

For a further discussion of factors that could cause our actual results to differ from the expectations, see the sections titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 32, 201 and 356, respectively.

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 be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. Neither our Company, our Selling Shareholders, our Directors, nor the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company shall ensure that investors in India are informed of material developments from the date of this Red Herring Prospectus and the Prospectus until the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically confirmed or undertaken by a Selling Shareholder, as the case may be, in this Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled "Risk Factors", "Our Business", "Industry Overview", "Capital Structure", "The Offer", "Financial Information", "Objects of the Offer", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Outstanding Litigation and Material Developments" on pages 32, 201, 133, 87, 70, 283, 101, 356 and 395 respectively of this Red Herring Prospectus.

Primary business of our Company

We design, develop, manufacture, and sell a wide range of stationery and art products, primarily under our flagship brand 'DOMS', in the domestic market as well as in over 45 countries internationally, as of September 30, 2023. We are the second largest player in India's branded 'stationery and art' products market, with a market share of ~12% by value, as of Fiscal 2023 *(Source: Technopak Report).* Our keen focus on research and development (R&D), product engineering, and backward integrated manufacturing, operations, combined with our multi-channel pan-India distribution network has enabled us to achieve a strong brand recall amongst consumers. Our core products such as 'pencils' and 'mathematical instrument boxes' enjoy high market shares; 29% and 30% market share by value in Fiscal 2023 respectively *(Source: Technopak Report).*

Summary of industry in which our Company operates *(Source: Technopak Report)*

The global school's (scholastic) stationery product market was valued at USD 61 billion in CY 22. The market is expected to grow at a CAGR of 2.2% during the period CY 22 to CY 27 and is expected to reach approximately USD 68 billion by CY 27. The Indian stationery and art materials market has exhibited continuous growth over the years with an estimated size of INR 38,500 crore by value as of FY 23. The Indian stationery and art materials market is expected to grow at a CAGR of ~13% during FY 23-28 period to reach a market value of INR 71,600 crore by FY 28. The growth of this market can be attributed to factors such as the increasing population, education rate, government policies towards education, and evolving digitalization trends that has aided in the growth of conventional stationery and art materials industry as students are now spending more time in self-studying, drawing, colouring, and doing other hands-on activities. India has a thriving stationery and art materials industry, and there are several opportunities for the country to become an export hub for stationery products. The Indian stationery and art materials exports market is expected to grow at a CAGR of ~6% during FY 23-28 period to reach a market value of INR 7,500 crore by FY 28.

Our Promoters

FILA, Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani and Chandni Vijay Somaiya, are our Promoters. For further details, see the section titled "*Our Promoters and Promoter Group*" on page 272.

The Offer

Offer[(1)(2)]	Up to [•] Equity Shares, aggregating up to ₹12,000.00 million
Of which	
Fresh Issue[(1)]	Up to [•] Equity Shares, aggregating up to ₹3,500.00 million
Offer for Sale[(2)]	Up to [•] Equity Shares, aggregating up to ₹8,500.00 million (comprising up to [•] Equity Shares aggregating up to ₹8,000.00 million by FILA, up to [•] Equity Shares aggregating up to ₹250.00 million by Sanjay Mansukhlal Rajani and up to [•] Equity Shares aggregating up to ₹250.00 million by Ketan Mansukhlal Rajani
Employee Reservation Portion[(3)]	Up to [●] Equity Shares aggregating up to ₹50.00 million
Net Offer	Up to [●] Equity Shares aggregating up to ₹[●] million

[1] *The Offer has been authorized by a resolution of our Board dated July 20, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated July 24, 2023.*

[2] *Each of the Selling Shareholder, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in terms of Regulation 8 and 8A of the SEBI ICDR Regulations. Each Selling Shareholder has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. For further details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 406.*

[3] The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ 0.50 million, net of Employee Discount), shall be added to the Net Offer. Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date. For further details, see the sections titled "Offer Procedure" and "Offer Structure" on pages 433 and 429 respectively.

The Offer and Net Offer shall constitute [●]% and [●]% respectively of the post Offer paid up Equity Share capital of our Company, respectively. For further details, see the sections titled "*The Offer*" and "*Offer Structure*" on pages 70 and 429, respectively.

Objects of the Offer

The Net Proceeds are proposed to be utilised towards the following objects:

Particulars	Estimated amount (in ₹ million)
Proposing to part finance the cost of establishing a new manufacturing facility to expand its production capabilities for a wide range of writing instruments, water colour pens, markers and highlighters, at Survey Nos: 153, 154, 155/2, 159, 160, 161, 164, 165, 166, 168, 170, 172, 175, 180, 181, 370 and 391/P1, Village: Dehri, Tal: Umbergaon, District Valsad, 396170, Gujrat, India ("**Proposed Project**")	2,800.00
General corporate purposes*	[●]
Net Proceeds	[●]

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

For further details, see the section titled "*Objects of the Offer*" on page 101.

Aggregate pre-Offer and post-Offer shareholding of our Promoters, the members of our Promoter Group (other than our Promoters), and the Selling Shareholders

The aggregate pre-Offer and post-Offer shareholding of our Promoters, the members of our Promoter Group (other than our Promoters) and the Selling Shareholders, as a percentage of the pre-Offer paid-up Equity Share capital and post-Offer paid-up Equity Share capital of our Company, respectively, of our Company as on the date of this Red Herring Prospectus is set out below:

Sr. No.	Name of the Shareholder	Pre-Offer Equity Share capital		Post-Offer Equity Share capital	
		No. of Equity Shares held	% of paid-up Equity Share capital	No. of Equity Shares held	% of paid-up Equity Share capital
Promoters					
1.	FILA#	28,687,735	51.00	[●]	[●]
2.	Santosh Rasiklal Raveshia	9,562,679	17.00	[●]	[●]
3.	Sanjay Mansukhlal Rajani#	4,854,952	8.63	[●]	[●]
4.	Ketan Mansukhlal Rajani#	4,854,952	8.63	[●]	[●]
5.	Chandni Vijay Somaiya	2,249,900	4.00	[●]	[●]
Promoter Group (other than our Promoters)					
6.	Sejal Santosh Raveshia	2,249,900	4.00	[●]	[●]
7.	Sheetal Hiren Parpani	2,249,900	4.00	[●]	[●]
8.	Pravina Mansukhlal Rajani	513,400	0.91	[●]	[●]
9.	Ila Sanjay Rajani	513,400	0.91	[●]	[●]
10.	Shilpa Ketan Rajani	513,400	0.91	[●]	[●]
Total		**56,250,218**	**100.00**	[●]	[●]

 # Also a Selling Shareholder

The aggregate pre-Offer and post-Offer shareholding of the Selling Shareholders, as a percentage of the pre-Offer paid-up Equity Share capital of our Company and post-Offer paid-up Equity Share capital of our Company, respectively, and details of Offered Shares as on the date of this Red Herring Prospectus is set out below:

Sr. No.	Name of the Selling Shareholder	Pre-Offer Equity Share capital		Number of Equity Shares offered as part of the Offer for Sale	Post-Offer Equity Share capital	
		No. of Equity Shares held	% of paid-up pre Offer Equity Share capital		No. of Equity Shares held	% of paid-up post Offer Equity Share capital
1.	FILA	28,687,735	51.00	Up to [●] Equity Shares aggregating up to ₹8,000.00 million	[●]	[●]
2.	Sanjay Mansukhlal Rajani	4,854,952	8.63	Up to [●] Equity Shares aggregating up to ₹250.00 million	[●]	[●]
3.	Ketan Mansukhlal Rajani	4,854,952	8.63	Up to [●] Equity Shares aggregating up to ₹250.00 million	[●]	[●]
Total		**38,397,639**	**68.26**	**Up to [●] Equity Shares aggregating up to ₹8,500.00 million**	**[●]**	**[●]**

For further details, see section titled "*Capital Structure*" on page 87.

Summary of Restated Consolidated Financial Information

The details of certain financial information as set out under the SEBI ICDR Regulations for the Fiscals ended March 31, 2021, March 31, 2022, and March 31, 2023 and the six months period ended September 30, 2023, as derived from the Restated Consolidated Financial Information are set forth below:

(in ₹ million, except per share data)

Particulars	For the Fiscals ended			For the six months period ended September 30, 2023
	March 31, 2021	March 31, 2022	March 31, 2023	
Equity share capital	3.73	3.73	3.73	562.50
Net worth[(1)]	2,336.11	2,472.47	3,374.32	3,976.13
Revenue from operations	4,028.17	6,836.01	12,118.90	7,617.98
EBITDA[(2)]	300.25	697.13	1,866.60	1,274.45
EBITDA Margin (%)[(3)]	7.45	10.20	15.40	16.73
Profit/(Loss) for the year/period	(60.26)	171.40	1,028.71	739.06
PAT Margin (%)[(4)]	(1.50)	2.51	8.49	9.70
Earnings/(Loss) per Equity Share [(5)(6)]				
- Basic	(1.07)	3.05	18.29	13.14^
- Diluted	(1.07)	3.05	18.29	13.14^
Net Asset Value per Equity Share [(7)]	41.53	43.95	59.99	70.69
Total borrowings [(8)]	972.74	849.04	1,000.65	1,763.79
Current Borrowings	943.75	820.52	849.10	908.12
Non-Current Borrowings	28.99	28.52	151.55	855.67

^Not annualised.

Note: The above ratios have been computed on the basis of the Restated Consolidated Financial Information.

(1) Net Worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation.

(2) EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information.

(3) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations as per the Restated Consolidated Financial Information.

(4) PAT margin is calculated as a percentage of PAT divided by revenue from operations as per the Restated Consolidated Financial Information.

(5) Basic EPS (₹) = Restated profit for the year attributable to the equity holders of our Company/weighted average number of equity shares outstanding during the year after considering bonus shares which has been issued subsequent to March 31, 2023.

(6) Diluted EPS (₹) = Restated profit for the year attributable to equity holders of our Company/weighted average number of equity shares outstanding during the year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares after considering bonus shares which has been issued subsequent to March 31, 2023. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares subsequent to March 31, 2023, in accordance with IND AS 33.

(7) Net Asset Value per share is calculated as Net Worth as at the end of Fiscal year divided by the weighted average number of Equity Shares used in calculating basic earnings per share. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares subsequent to March 31, 2023, in accordance with IND AS 33.

(8) Total borrowings consist of current (including current portion of long-term borrowings) and non-current borrowings.

For further details, see the section titled "*Restated Consolidated Financial Information*" on page 283.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Consolidated Financial Information.

Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Directors, our Promoters, and our Group Companies in accordance with the SEBI ICDR Regulations and the Materiality Policy as on the date of this Red Herring Prospectus, is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigation	Aggregate amount involved* *(in ₹ million)*
Company						
By our Company	Nil	Nil	Nil	Nil	1	20.00
Against our Company	Nil	6	4	Nil	1	8.79
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	2	Nil	Nil	0.54
Promoters						
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	Nil	2	Nil	Nil	0.54
Subsidiaries						
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	Nil	2	Nil	Nil	Nil
Group Companies						
By our Group Companies				Nil	Nil	Nil
Against our Group Companies				Nil	Nil	Nil

**Amount to the extent quantifiable.*

For further details, see the section titled "*Outstanding Litigation and Material Developments*" on page 395.

Risk Factors

Specific attention of Bidders is invited to the section titled "*Risk Factors*" on page 32. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities as on September 30, 2023, as indicated in the Restated Consolidated Financial Information:

(in ₹ million)

Particulars	Amount as on September 30, 2023
Income Tax payable on disallowance made under Section 80IB and 36(1)(va)	2.55
Total	**2.55**

For further details, see "*Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information – Note 37- Contingent liabilities & contingent assets*" on page 327.

Summary of Related Party Transactions

The summary of related party transactions entered into by us for the Financial Years ended March 31, 2021, March 31, 2022, and March 31, 2023 and the six months period ended September 30, 2023, as derived from the Restated Consolidated Financial Information are as set out in the table below:

(in ₹ million)

Name of the related party	Nature of the transaction	For the Fiscals ended			For the six months period ended September 30, 2023
		2021	2022	2023	
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Purchase of goods or services	4.69	-	5.40	2.57
Pioneer Stationery Private Limited		35.94	58.26	86.16	48.04
Canson Sas France		21.92	34.82	61.94	73.03
Daler Rowney Limited		10.04	3.11	4.29	1.21
Johann Froescheis Lyra		5.84	-	1.24	-
Dixon Ticonderoga Company		4.28	5.99	1.52	1.31
St. Cuthberts Mill Limited		1.19	2.21	0.67	-
Micro Wood Private Limited		91.79	264.65	527.67	350.68
Kika V-Comm Private Limited		-	-	0.02	0.33
Khaitan & Co		-	-	-	6.04
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Sale of goods or services	155.93	194.97	302.74	137.19
Pioneer Stationery Private Limited		12.76	16.33	8.22	18.38
Dixon Ticonderoga Company		436.92	776.23	1,111.33	592.44
FILA Argentina s.a.		21.73	19.48	39.71	7.85
Fila Chile Ltda		30.27	22.13	51.64	45.08
Fila Art and Craft		12.35	5.38	8.86	3.21
Johann Froescheis Lyra		8.54	5.58	5.36	4.25
Fila Dixon Stationery (Kunshan) Co.		3.42	-	2.44	2.57
Dixon Comercializadora, S.A De C.V		5.85	19.14	-	8.15
Daler Rowney Limited		1.57	3.88	13.58	1.77
Fila Canson Do Brasil Prod. De Arte		8.24	6.97	31.79	19.45
Pt. Lyra Akrelux		8.31	11.54	14.20	4.10
Canson Sas France		-	-	4.42	27.76
Micro Wood Private Limited		17.76	2.70	18.78	0.28
Kika V-Comm Private Limited		-	-	7.21	2.67
Uniwrite Pens and Plastics Private Limited	Reimbursement of expenses	0.03	-	-	-
Pioneer Stationery Private Limited		0.01	0.01	0.02	-
Ketan Mansukhlal Rajani		0.02	0.21	0.17	0.08
Rahul Shah		-	-	0.49	10.53
Santosh Rasiklal Raveshia	Remuneration	7.48	11.00	15.44	7.50
Sanjay Mansukhlal Rajani		4.73	7.87	10.51	5.10
Chandni Vijay Somaiya		4.77	7.87	10.51	5.10
Ketan Mansukhlal Rajani		4.73	7.84	10.51	5.10
Vijay C Somaiya		2.25	2.50	3.70	1.80
Sheetal Hiren Parpani		2.23	3.71	4.17	2.01
Sejal Santosh Raveshia		3.28	4.83	6.43	3.12
Rahul Shah		-	-	3.12	3.10
Mitesh Padia		-	-	-	0.50
Gianmatteo Terruzzi	Director sitting fees	-	-	-	0.25
Rajiv Mistry		-	-	-	0.19
Mehul Shah		-	-	-	0.08
Darshika Thacker		-	-	-	0.34
Uniwrite Pens and Plastics Private Limited	Rent paid	1.73	0.15	0.15	-

Name of the related party	Nature of the transaction	For the Fiscals ended			For the six months period ended September 30, 2023
		2021	2022	2023	
Ila Sanjay Rajani		0.13	0.13	0.15	0.08
Shilpa K Rajani		0.13	0.13	0.15	0.08
Commander Products		1.61	1.68	1.68	0.84
Rasiklal and Mansukhlal Corporate Advisors LLP		8.88	10.14	10.64	5.50
Pioneer Stationery Private Limited	Rent received	0.06	0.06	0.06	0.03
Micro Wood Private Limited		-	0.68	2.36	1.85
Pioneer Stationery Private Limited	Royalty received	1.97	2.66	7.03	4.83
Kika V-Comm Private Limited	Brand management fees paid	1.04	1.01	-	-
Jinal Shah	Consultancy charges	-	-	0.46	0.90
Clapjoy Innovations Private Limited	Purchase of shares	-	-	15.02	-
Inxon Pens & Stationery Private Limited		0.05	-	-	-
Fixy Adhesives Private Limited		0.10	-	-	-
Chandni Vijay Somaiya	Sale of shares of subsidiary companies	-	-	0.09	-
Ketan Mansukhlal Rajani		-	-	0.03	-
Sanjay Mansukhlal Rajani		-	-	0.03	-
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Dividend paid	-	-	28.50	47.50
Santosh Rasiklal Raveshia		-	-	9.50	15.83
Sanjay Mansukhlal Rajani		-	-	4.82	8.04
Chandni Vijay Somaiya		-	-	2.24	3.73
Ketan Mansukhlal Rajani		-	-	4.82	8.04
Sheetal Hiren Parpani		-	-	2.24	3.73
Sejal Santosh Raveshia		-	-	2.24	3.73
Ila Sanjay Rajani		-	-	0.51	0.85
Shilpa K Rajani		-	-	0.51	0.85
Pravina M Rajani		-	-	0.51	0.85
Uniwrite Pens and Plastics Private Limited	Purchase of plant & machinery	9.71	-	4.70	-
Pioneer Stationery Private Limited	Sale of plant & machinery	0.20	-	-	-
FILA Argentina S.A.		1.03	-	-	-
Micro Wood Private Limited		-	0.60	-	-
Pioneer Stationery Private Limited	Guarantee fees income	1.74	1.83	1.69	0.83
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Guarantee fees paid	-	5.03	5.17	2.47
Santosh Rasiklal Raveshia	Interest paid	17.66	21.14	16.42	16.30
Chandni Vijay Somaiya		0.71	0.92	0.90	0.98
Ketan Mansukhlal Rajani		0.27	0.08	-	1.60
Sejal Santosh Raveshia		5.06	6.09	5.05	1.45
Sanjay Mansukhlal Rajani		0.79	-	-	0.75
Vidhi Sanjay Rajani		0.55	0.60	0.60	0.27
Muskan Ishan Parikh		-	0.20	1.20	0.57

Name of the related party	Nature of the transaction	For the Fiscals ended			For the six months period ended September 30, 2023
		2021	2022	2023	
Santosh Rasiklal Raveshia	Loan taken	228.60	-	5.00	378.55
Chandni Vijay Somaiya		10.00	-	-	32.50
Ketan Mansukhlal Rajani		29.00	-	-	105.35
Sejal Santosh Raveshia		41.40	-	-	-
Sanjay Mansukhlal Rajani		-	-	-	50.00
Muskan Ishan Parikh		-	10.00	-	10.00
Santosh Rasiklal Raveshia	Loan repaid	-	39.20	25.00	-
Ketan Mansukhlal Rajani		29.42	2.08	-	-
Sanjay Mansukhlal Rajani		7.50	-	-	-
Muskan Ishan Parikh		-	-	-	10.00
Vidhi Sanjay Rajani		-	-	-	5.00
Sejal Santosh Raveshia		-	6.85	-	52.40
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Net amount receivable	26.00	45.13	15.68	27.82
Dixon Ticonderoga Company		49.33	150.16	111.43	125.93
FILA Argentina S.A.		6.66	7.62	25.30	14.20
Canson Sas France		-	-	-	16.05
Pt. Lyra Akrelux		-	5.94	3.98	-
Johann Froescheis Lyra		1.78	-	-	-
Fila Art and Craft		6.11	5.49	8.88	-
Dixon Comercializadora, S.A De C.V		-	8.55	-	-
Fila Canson Do Brasil Prod. De Arte		7.42	2.57	6.20	5.11
Fila Chile Ltd		-	-	6.02	30.01
Daler Rowney Limited		-	-	4.31	0.09
Kika V-Comm Private Limited		-	-	1.79	0.82
Fila Dixon Stationery (Kunshan) Co.		-	-	-	0.45
Uniwrite Pens and Plastics Private Limited	Net amount payable	10.05	0.03	-	-
Pioneer Stationery Private Limited		27.75	0.56	8.68	5.58
Clapjoy Innovations Private Limited		-	-	7.51	-
Daler Rowney Limited		1.08	2.36	-	-
Canson Sas France		9.30	10.18	5.48	20.62
Johann Froescheis Lyra		-	-	0.23	-
Santosh Rasiklal Raveshia		241.14	200.54	180.64	687.04
Sanjay Mansukhlal Rajani		0.53	0.45	0.59	5.91
Chandni Vijay Somaiya		10.53	10.50	10.56	43.33
Ketan Mansukhlal Rajani		2.51	0.43	0.56	106.61
Sheetal Hiren Parpani		0.25	0.22	0.25	0.25
Sejal Santosh Raveshia		64.22	57.74	53.04	0.36
Ila Sanjay Rajani		0.01	0.01	0.01	0.01
Shilpa K Rajani		0.01	0.01	0.01	0.01
Vijay C Somaiya		0.15	0.17	0.20	0.22
Rahul Shah		-	-	0.33	0.36
Vidhi Sanjay Rajani		5.00	5.00	5.00	5.04
Muskan Ishan Parikh		-	10.00	10.00	10.00
Commander Products		0.11	0.13	0.13	0.13
Rasiklal and Mansukhlal Corporate Advisors LLP		0.90	0.93	0.97	1.02
Kika V-Comm Private Limited		0.17	-	-	-
Micro Wood Private Limited		11.69	13.73	63.14	103.49
Jinal Shah		-	-	-	0.14
Khaitan & Co		-	-	-	2.02
Mitesh Padia		-	-	-	0.08
Gianmatteo Terruzzi		-	-	-	0.25
Rajiv Mistry		-	-	-	0.19

Name of the related party	Nature of the transaction	For the Fiscals ended			For the six months period ended September 30, 2023
		2021	2022	2023	
Mehul Shah		-	-	-	0.08
Darshika Thacker		-	-	-	0.34
Santosh Raveshia	Consideration towards purchase of shares of Micro Wood Private Limited	-	-	-	442.47
Sheetal Parpani		-	-	-	22.05
Chandni Somaiya		-	-	-	22.05
Sanjay Rajani		-	-	-	70.56
Ketan Rajani		-	-	-	141.12
Muskan Parikh		-	-	-	1.23
Pioneer Stationery Private Limited	Guarantee outstanding	117.30	117.30	110.00	110.00

For details of the related party transactions, as per the requirements under Ind AS 24 '*Related Party Disclosures'* and as reported in the Restated Consolidated Financial Information, see *"Restated Consolidated Financial Information – Note 44: Related Parties"* on page 336.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (as defined under Companies Act, 2013) have financed the purchase by any other person of securities of our Company during a period of three years immediately preceding the date of this Red Herring Prospectus.

Weighted average price at which specified securities were acquired by our Promoters and the Selling Shareholders in the last one year preceding the date of this Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoters and the Selling Shareholders in the last one year preceding the date of this Red Herring Prospectus is set forth below:

Name of Promoter/ Selling Shareholder	Number of Equity Shares acquired in the preceding one year	Weighted average price of acquisition per Equity Share(₹)^
Promoters		
FILA#	28,497,750	Nil*
Santosh Rasiklal Raveshia	9,499,350	Nil*
Sanjay Mansukhlal Rajani#	4,822,800	Nil*
Ketan Mansukhlal Rajani#	4,822,800	Nil*
Chandni Vijay Somaiya	2,235,000	Nil*

^*As certified by M.I. Shah & Co., Chartered Accountants, pursuant to their certificate dated December 2, 2023.*
**Acquisition of Equity Shares through bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held undertaken on July 6, 2023, hence the acquisition price is Nil.*
#*Also a Selling Shareholder*

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

The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders as at the date of this Red Herring Prospectus is set forth below:

Name of Promoter/ Selling Shareholder	Number of Equity Shares held	Average cost of acquisition per Equity Share* (₹)
Promoters		
FILA#	28,687,735	101.53
Santosh Rasiklal Raveshia	9,562,679	0.07
Sanjay Mansukhlal Rajani#	4,854,952	0.03
Ketan Mansukhlal Rajani#	4,854,952	0.03
Chandni Vijay Somaiya	2,249,900	0.07

**As certified by M.I. Shah & Co., Chartered Accountants, pursuant to their certificate dated December 2, 2023.*
#*Also a Selling Shareholder*

Weighted average cost of all Equity Shares transacted in the three years, 18 months and one year preceding the date of this Red Herring Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition^	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)*
Last one year preceding the date of this Red Herring Prospectus	Nil$	[•]	N.A.#
Last 18 months preceding the date of this Red Herring Prospectus	Nil$	[•]	N.A. #
Last three years preceding the date of this Red Herring Prospectus	Nil$	[•]	N.A. #

$Acquisition of Equity Shares through bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held undertaken on July 6, 2023, hence the acquisition price is nil.
#Range of acquisition price per Equity Share has been mentioned as N.A. since there have been no transactions (excluding Equity Shares issued pursuant to bonus issuance) in equity shares in the last three years preceding the date of this Red Herring Prospectus
** As certified by M.I. Shah & Co., Chartered Accountants, pursuant to their certificate dated December 2, 2023.*
^ To be updated in the Prospectus

Details of the price at which specified securities were acquired in the last three years immediately preceding the date of this Red Herring Prospectus by our Promoters, members of our Promoter Group (other than our Promoters), the Selling Shareholders and the shareholders with rights to nominate directors or other rights

Except as stated below, there have been no Equity Shares that were acquired in the last three years preceding the date of this Red Herring Prospectus, by our Promoters, members of the Promoter Group (other than our Promoters), the Selling Shareholders and the shareholders with rights to nominate directors or other rights on the Board of our Company:

Name of Shareholder	Date of acquisition	Number of Equity Shares	Face value per Equity Share (in ₹)	Acquisition price per Equity Share*^ (in ₹)
Promoters				
FILA#	July 6, 2023	28,497,750	10	Nil
Santosh Rasiklal Raveshia	July 6, 2023	9,499,350	10	Nil
Sanjay Mansukhlal Rajani#	July 6, 2023	4,822,800	10	Nil
Ketan Mansukhlal Rajani#	July 6, 2023	4,822,800	10	Nil
Chandni Vijay Somaiya	July 6, 2023	2,235,000	10	Nil
Promoter Group (other than Promoters)				
Sejal Santosh Raveshia	July 6, 2023	2,235,000	10	Nil
Sheetal Hiren Parpani	July 6, 2023	2,235,000	10	Nil
Pravina Mansukhlal Rajani	July 6, 2023	510,000	10	Nil
Ila Sanjay Rajani	July 6, 2023	510,000	10	Nil
Shilpa Ketan Rajani	July 6, 2023	510,000	10	Nil

^As certified by M.I. Shah & Co., Chartered Accountants, pursuant to their certificate dated December 2, 2023
**Acquisition of Equity Shares through bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held undertaken on July 6, 2023, hence the acquisition price is Nil*
 # Also a Selling Shareholder
Note: There are no other shareholders with a right to nominate directors or any other right

Details of pre-IPO placement

Our Company has not undertaken a pre-IPO placement.

Offer of equity shares of our Company for consideration other than cash in the last one year

Except as disclosed below, our Company has not issued any equity shares for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.

Date of allotment	Name(s) of allottee(s)	Reason/Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of consideration
July 6, 2023	Allotment of 28,497,750 Equity Shares to FILA, 9,499,350 Equity Shares to Santosh Rasiklal Raveshia, 4,822,800 Equity Shares to Sanjay Mansukhlal Rajani, 4,822,800 Equity Shares to Ketan Mansukhlal Rajani, 2,235,000 Equity Shares to Chandni Vijay Somaiya, 2,235,000 Equity Shares to Sejal Santosh Raveshia, 2,235,000 Equity Shares to Sheetal Hiren Parpani, 510,000 Equity Shares to Pravina Mansukhlal Rajani, 510,000 Equity Shares to Ila Sanjay Rajani and 510,000 Equity Shares to Shilpa Ketan Rajani.	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	55,877,700	10	N.A.	N.A.

For further details, see "*Capital Structure – Notes to the Capital Structure – Equity Share capital history of our Company*" on page 88.

Split or consolidation of equity shares in the last one year

Our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding the date of this Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by the Securities and Exchange Board of India

Our Company has not sought for any exemptions by SEBI from complying with any provisions of securities laws, as on the date of this Red Herring Prospectus.

SECTION II - RISK FACTORS

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or our Equity Shares or the industry in which we currently operate or propose to operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also materially and adversely affect our business prospects, cash flows, results of operations and financial condition. In order to obtain a complete understanding about us, prospective investors should read this section in conjunction with sections titled "Our Business", "Key Regulations and Policies in India", "Management's Discussion and Analysis of Financial Position and Results of Operations", "Restated Consolidated Financial Information", "Industry Overview" and "Outstanding Litigation and Material Developments" on pages 201, 230, 356, 283, 133 and 395, respectively, as well as the other financial and statistical information included in this Red Herring Prospectus. If any or some combination of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business prospects, results of operations and financial condition could be materially and adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

This Red Herring Prospectus also contains forward-looking statements which refer to future events that involve known and unknown risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. Please see the section titled "Forward-Looking Statements" on page 20.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Restated Consolidated Financial Information included in this Red Herring Prospectus on page 283.

*Unless otherwise indicated, industry and market data used in this section have been obtained or derived from the report titled "Industry Report on the Stationery and Art Material Market in India" dated November 23, 2023 (the "**Technopak Report**") prepared and issued by Technopak Advisors Private Limited, appointed by our Company pursuant to a letter of authorization dated March 17, 2023 and such report has been commissioned and paid for by our Company exclusively in relation to the Offer. A copy of the Technopak Report is available on the website of our Company at https://www.domsindia.com/industry-report/. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further details and risks in relation to the Technopak Report, see "Certain Conventions, Use of Financial Information, Market Data and Currency of Presentation" and "- Internal Risk Factors – Other Risks – 45. Industry Data - Industry information included in this Red Herring Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us." on pages 16 and 59 respectively.*

INTERNAL RISK FACTORS

Risks relating to our business

1. ***Product concentration risk - We derived a significant portion amounting to 60.23%, 59.06%, 59.54% and 62.12% of our Gross Product Sales in Fiscals 2021, 2022 and 2023, and the six months period ended September 30, 2023 respectively, from the sale of our key products and a significant portion amounting to 36.99%, 33.35%, 31.66% and 32.49% of our Gross Product Sales in Fiscals 2021, 2022, 2023 and the six months period ended September 30, 2023, respectively is attributable to the sale of 'wooden pencils'. Any decline in the Gross Product Sales of our key products in general or specifically 'wooden pencils' could have an adverse effect on our business, results of operations and financial condition.***

   We generate a significant portion of our Gross Product Sales from our key products and in particular our top selling product 'wooden pencils' which contributed to 31.66% of our total Gross Product Sales in Fiscal 2023 amounting to ₹3,899.88 million and 32.49% of our total Gross Product Sales for the six months period ending September 30, 2023 amounting to ₹2524.07 million. The table below sets forth the contribution of our key products across all product categories to our total Gross Product Sales for the period stated:

Key products	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales
Wooden pencils	1,527.95	36.99	2,311.17	33.35	3,899.88	31.66	2,524.07	32.49
Crayons	226.45	5.48	351.60	5.07	724.42	5.88	552.76	7.12
Mathematical instruments box	134.44	3.25	344.97	4.98	688.36	5.59	521.00	6.71
Sketch marker pens	186.08	4.51	368.36	5.31	688.10	5.59	470.26	6.05
Erasers	195.95	4.74	424.55	6.13	668.63	5.43	363.36	4.68
Exercise books	217.04	5.25	292.53	4.22	663.76	5.39	394.37	5.08
Total revenue from key products	**2,487.91**	**60.23**	**4,093.18**	**59.06**	**7,333.16**	**59.54**	**4,825.82**	**62.12**
Total revenue from single largest product - Wooden Pencil	**1,527.95**	**36.99**	**2,311.17**	**33.35**	**3,899.88**	**31.66**	**2,524.07**	**32.49**

We are dependent on our key products (in particular 'wooden pencils') for a significant portion of Gross Product Sales. Any decline in the Gross Product Sales of these key products on account of any reason including increased competition, pricing pressures or fluctuations in the demand for or supply of such products may adversely affect our business, results of operations and financial condition.

While we have not faced any such instances specifically impacting the Gross Product Sales of our key products in the past, we cannot assure you that we will be able to maintain the same levels of Gross Product Sales for such products in the future. Any inability on our end to anticipate and adapt to evolving consumer tastes/ preferences and/or any decrease in the demand for our key products may adversely impact our business prospects and financial performance.

2. ***Distribution risk - We are dependent on our 'general trade' distribution network for a significant portion (more than 70.00%) of our Gross Product Sales in each of the last three Fiscals and the six months period ended September 30, 2023. Failure to manage our 'general trade' distribution network efficiently could have an adverse impact on our business, results of operations and financial condition.***

In the domestic market, we sell our products through: (i) general trade which includes selling products to super-stockists who then sell the products to distributors or direct dealers, who in turn sell directly to wholesalers or retailers; (ii) modern trade and e-commerce which includes selling our products through a variety of modern trade platforms such as supermarkets, hypermarkets, minimarkets, cash and carry stores and other leading e-commerce platforms; and (iii) original equipment manufacturers (OEMs) and institutional sales. Our distribution network outside India is further categorised into the following: (i) export sales to the FILA Group; and (ii) third party export sales.

The table below provides a breakdown of our distribution channels for the periods stated:

Distribution network	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales
Domestic								
General trade	2,906.85	70.38	4,921.82	71.01	9,156.91	74.34	5,871.74	75.58
Modern trade and e-commerce platform	120.15	2.91	214.84	3.10	262.87	2.13	223.07	2.87
Others*	101.76	2.46	146.98	2.12	321.82	2.61	231.68	2.98
Total (A)	**3,128.76**	**75.75**	**5,283.64**	**76.23**	**9,741.60**	**79.08**	**6,326.49**	**81.44**
Exports								
Export sales to FILA Group	693.13	16.78	1,065.31	15.37	1,586.07	12.88	854.82	11.00
Third party export sales	308.57	7.47	582.00	8.40	989.67	8.03	587.08	7.56
Total (B)	**1,001.70**	**24.25**	**1,647.31**	**23.77**	**2,575.74**	**20.92**	**1,441.90**	**18.56**
Total (C=A+B)	**4,130.45**	**100.00**	**6,930.95**	**100.00**	**12,317.34**	**100.00**	**7,768.39**	**100.00**

**Others includes OEMs and institutional sales along with sale of scrap and other materials.*

More than 70.00% of our Gross Product Sales in each of the last three Fiscals and the six months period ended September 30, 2023 is attributable to our general trade channel. In our general trade channel, we invoice and sell products directly to super-stockists, who then sell those products onwards to channel partners such as distributors, wholesalers, retailers, and direct dealers, at a price structure determined by us. We receive payments directly from the super-stockists irrespective of onward sales to channel partners. We had 73, 105, 122 and 126 super-stockists as on March 31, 2021, March 31, 2022, March 31, 2023 and September 30, 2023, respectively. We have entered into formal agreements with approximately 75% of our total super-stockists (accounting for more than 90% of our 'general trade' Gross Product Sales), pursuant to which the super-stockists agree to not distribute or promote products or enter into any agreement with companies in similar line of business as us. Our agreement with the super-stockists also entails the minimum inventory that a super-stockist must hold at any point of time. The super-stockists are responsible for the appointment of and supply of our products to the channel partners, including distributors, dealers and wholesalers, in their designated areas and for collecting payments from them basis the standard distribution agreement prepared by our Company and entered into between the super-stockists and channel partners. We are not involved in the appointment of channel partners beyond the super-stockists or in the collection of payments from them. If any of our super-stockists discontinues its relationships with us or fails to effectively sell our products, the demand for and sales of our products could decline, which would materially and adversely affect our business, results of operations and financial condition. Additionally, our inability to timely identify and appoint additional super-stockists on loss of one or more of our super-stockists will also have an adverse effect on our business operations.

Other than cessation of relationship with our super-stockists, at our behest and in the ordinary course of business, we have not experienced any break down of our relationship with any of our super-stockists in the past three years. However, we cannot assure you that we will not face any disruptions in the relationship with our super-stockists in the future or that we will be able to successfully replace our super-stockists on favourable terms or at all in case of such disruptions. Further, any failure by our distribution channel partners to adhere to our distribution policies or to maintain requisite standards of service could adversely impact our distribution which may result in our products not reaching our consumers, us losing market share, and consequently having a material adverse effect on our business, results of operations and financial condition.

3. ***Litigation - There is an outstanding civil litigation against our Company by one of our listed peers. Any adverse decision in this proceeding could impact our reputation, business and financial condition.***

As on the date of this Red Herring Prospectus, there is an outstanding civil suit which has been filed against our Company by one of our listed peers, Kokuyo Camlin Limited ("**Camlin**"). Camlin filed a civil suit against our Company in relation to an alleged infringement and/ or passing off of certain designs in relation to mathematical instrument boxes, compass and divider which are registered in the name of Camlin, for the recovery of ₹ 0.50 million. Our Company has filed a response to the civil suit on November 17, 2017. We cannot assure you that the proceeding will be decided in our favour. An adverse judgment could have an adverse impact on our business, financial condition, results of operations and future cash flows. For further details, see "*Outstanding Litigation and Material Developments – Other material proceedings by our Company*" on page 395.

4. ***Dependence on FILA – As a Promoter, we are dependent on the FILA Group for our business operations and in particular for our export sales (export sales to FILA Group amounted to ₹693.13 million, ₹1,065.31 million, ₹1,586.07 million and ₹854.82 million in Fiscals 2021, 2022, 2023, and for the six months ended September 30, 2023, respectively, accounting to more than 59% of our total export sales in each of the last three Fiscals and six months period ended September 30, 2023 and more than 10% of our Gross Product Sales in each of the last three Fiscals and six months ended September 30, 2023). In the event FILA ceases to be a Promoter, it may affect our business operations, adversely impact our R&D and export capabilities. Further, any damage to the reputation of the FILA Group may adversely affect our business, results of operations and financial condition.***

FILA is one of our Promoters and we rely on FILA for our business operations as well as for R&D capabilities. For further details, see "*Our Business – Our Strengths - Strategic partnership with FILA enabling access to global markets and product know-how*" on page 210. FILA is part of the FILA Group, which is a leading Italian multinational conglomerate, engaged in the supply of various art materials and stationery products. We have entered into a strategic partnership with the FILA Group and are dependent on this for our exports, augment our R&D and technology capabilities, and increase the reach of our products worldwide. We export our products to the FILA Group in multiple geographies on a private label basis. Our symbiotic association with the FILA Group, based on mutual synergies, has resulted in expansion of our international footprint in key American and European markets and has also helped in the global distribution of the 'DOMS' brand. The table below sets forth details of the total export sales made to the FILA Group for the periods stated:

Distribution network	Fiscal 2021			Fiscal 2022			Fiscal 2023			Six months period ended September 30, 2023		
	Amount (₹ million)	% of Gross Product Sales	% of total export sales	Amount (₹ million)	% of Gross Product Sales	% of total export sales	Amount (₹ million)	% of Gross Product Sales	% of total export sales	Amount (₹ million)	% of Gross Product Sales	% of total export sales
Export sales to FILA Group	693.13	16.78	69.19	1,065.31	15.37	64.67	1,586.07	12.88	61.58	854.82	11.00	59.28

Any deterioration in our relationship with the FILA Group or for any other strategic reason which may result in them exiting from our Company, may have a material impact on our business operations, R&D and export capabilities. FILA is also a Selling Shareholder in the Offer for Sale component of the Offer and its post-Offer shareholding in our Company will be [●]%* of the post-Offer Equity Share capital. Additionally, any damage to the brands or goodwill of the FILA Group, if not immediately and sufficiently remedied could, by extension and by virtue of our association with FILA, materially affect our reputation, business, results of operations and financial condition. While we have not faced such concerns with FILA in the past three years, we cannot assure you that such instances will not occur in the future.

**To be updated at Prospectus stage.*

5. ***Supply risk - We have not entered into any formal contracts or exclusive arrangement with our suppliers from whom we procure materials consumed by us for our manufacturing process. Further, we are dependent on certain limited suppliers for some of our raw materials. In the event, we are unable to procure such materials at terms favourable to us, or at all, our business, financial condition and results of operations may be adversely affected.***

We are dependent on third parties for the supply of raw materials and packing materials required in our production process, in an adequate quantity, in a timely manner and at reasonable prices. We have not entered into any formal contracts with such suppliers and instead undertake business with the suppliers on a purchase order basis. The lack of an exclusive formal arrangement with our suppliers exposes us to risks including delivery failure or component shortages owing to a lack of contractually agreed terms and conditions. While we have not faced any material issues with our suppliers in the past three years, in the event we are unable to maintain a consistent, high quality and cost-effective supply chain in the future, our business, prospects, financial condition, and operating results could be adversely affected.

For Fiscals 2021, 2022 and 2023 and the six months period ended September 30, 2023, we had 468, 543, 629, and 640 suppliers respectively. The table below sets forth the contribution of our top five suppliers (excluding our Subsidiaries), as of six months period ended September 30, 2023 as a percentage to our cost of raw material and packing material consumed for the periods stated below:

Particulars	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months period ended September 30, 2023**	
	Amount (₹ million)	**% of cost of material consumed**	**Amount (₹ million)**	**% of cost of material consumed**	**Amount (₹ million)**	**% of cost of material consumed**	**Amount (₹ million)**	**% of cost of material consumed**
Supplier 1	165.37	7.12	317.13	7.46	558.85	7.52	380.32	8.77
Supplier 2	27.06	1.17	131.61	3.10	264.76	3.56	209.01	4.82
Supplier 3	130.22	5.61	233.17	5.48	447.34	6.02	167.12	3.85
Supplier 4	81.83	3.53	230.51	5.42	292.16	3.93	163.90	3.78
Supplier 5	49.62	2.14	81.92	1.93	131.80	1.77	80.61	1.86
Total	**454.10**	**19.56**	**994.34**	**23.39**	**1,694.91**	**22.82**	**1,000.95**	**23.07**

Further, for some of our raw materials such as tinplate, polypropylene and polystyrene, we are dependent on certain limited suppliers. With regards to one of our key input materials i.e., 'wood', we procure it directly from suppliers in Kashmir, Belgium, Kerala and China on a purchase order basis. If any of the suppliers were to cease operations or decide to discontinue our supply relationship, we would need to find alternatives, within a requisite time period. In addition, we may also be required to replace a supplier if the raw material being supplied by such supplier does not meet our safety, quality or performance standards. While there are other suppliers available in the market with respect to materials consumed by us, our inability to find suitable alternatives on a timely basis will have an impact on our business, results of operations and financial condition.

6. ***Competition - We face significant competitive pressures in our business. Our inability to compete effectively would have a material adverse effect on our business, prospects, operations or financial results.***

We operate in a competitive business environment and expect such competition to intensify both through the entry of new players and consolidation of existing players. For details, see the section titled "*Industry Overview*" on page 133. While we work consistently to offset pricing pressures, manufacture new products, advance our technological capability, improve our products or enhance our production efficiency to reduce costs, our competitors may succeed in developing and offering products that are more effective, popular, cost-effective than any we may develop which may render our products obsolete or uncompetitive and materially and adversely affect our business and financial results. We are also subject to competition on various factors including, but not limited to, targeted audience, quality, wide range and availability, incentives to channel partners through periodic product specific and target-based schemes and are also subject to pricing pressures in the stationery and art materials market, both from the organized as well as from the unorganized sectors. Our competitors in the organized sector include, BIC Cello, Flair Writing Industries, Hindustan Pencils, Kokuyo Camlin, Linc, Luxor Writing Instruments, Navneet Education, and Rorito International.

Additionally, significant competition may also require us to increase our expenditure on sales and marketing. For more details in relation to expenditure incurred towards sales and marketing, please see "*Risk Factors - Internal Risk Factors – Risks relating to our business – 16. Brand and counterfeiting risk – Any deterioration of our brand image, reputation and our consumer's awareness of our brand and products could have a material adverse effect on our business, results of operations and financial condition. Further, the availability of look-alikes, counterfeit products, primarily in our domestic market, manufactured by other companies and passed off as our products, could also adversely affect our goodwill and results of operations*" on page 43.

Further, some of our competitors may have access to significantly greater resources, including the ability to spend more on advertising and marketing and hence the ability to compete more effectively. While we have in the past not experienced any material effect on our business specifically due to competition, our failure to compete effectively, including any delay in responding to changes in the industry and market or appropriately increasing our spending on marketing, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

Risks related to our financial position

7. ***Loss - Our Company has incurred loss in the past.***

We have recorded a loss of ₹60.26 million in Fiscal 2021. Such loss was predominantly due to COVID-19 related lockdown, which resulted in the closure of domestic and export markets, especially educational institutions, offices and workplaces and retail outlets. The table below sets forth details of the profit/ (loss) of our Company for the periods stated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Profit/ (Loss) for the Year/ Period (₹ million)	(60.26)	171.40	1,028.71	739.06
Profit/ (Loss) Margin (%)	(1.50)	2.51	8.49	9.70

For further information, please see section titled "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 356. While we were profitable in Fiscals 2022 and 2023 and the six months period ended September 30, 2023, we cannot assure you that we will be able to maintain such profitability or continue to generate positive cash flows from operating activities in the future. Our growth strategy may involve significant additional financial resources than anticipated, and we may not succeed in increasing our revenue from our operations compared to the increase in our operating expenses. Our revenue from operations may be impacted by various reasons, including increasing competition, challenging macro-economic environment, as well as other risks discussed elsewhere in this Red Herring Prospectus. If we fail to maintain profitability and incur losses again, our business operations and growth strategy will be adversely affected.

8. ***Negative cash flows - We have had negative cash flows in previous financial years and may continue to have negative cash flows in the future, which could adversely affect our liquidity and operations.***

We have experienced both positive and negative cash flows. The below table sets forth details of our cash flows for the specified periods indicated:

Particulars	Fiscal 2021 (₹ million)	Fiscal 2022 (₹ million)	Fiscal 2023 (₹ million)	Six months period ended September 30, 2023 (₹ million)
Net cash flows generated from operating activities	152.13	509.39	1,732.63	1,081.16
Net cash flows (used in) investing activities	(187.49)	(337.26)	(1,359.34)	(1,283.38)
Net cash flows (used in)/generated from financing activities	249.27	(305.85)	(123.74)	341.99
Net increase/(decrease) in cash and cash equivalents	213.91	(133.72)	249.55	139.77

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our business, financial condition and results of operations could be materially and adversely affected. For further details, see sections titled *"Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 283 and 356, respectively.

Risks relating to our business

9. Inability to assess consumer preference and demand - Our success depends on our ability to promptly identify and respond to changing consumer preferences or evolving trends and successfully launch new products or stock keeping units in the market. Failure to do so may decrease the demand for our products among our consumers, which may adversely affect our business, results of operations and financial condition.

We rely on the continued demand for our products in the markets we are present in. In order to maintain and increase revenue and profitability, we are required to continuously address market trends and consumer preferences and provide products that appeal to our consumers. If we are unable to anticipate or react to changing consumer preferences and introduce new products or SKUs in our existing product categories in a timely and effective manner, the demand for our products or SKUs may decline which may have an adverse effect on our business, results of operations and financial condition. Any error in our forecast of consumer demand could result in either overstocking and we may not be able to sell such surplus stock in a timely manner or at all, or understocking which will thereby affect our ability to meet consumer demand. While we have not undertaken any significant write-off in the past three years on account of inventory mismanagement, there can be no assurance that such instances will not occur in the future.

Prior to introducing a new product or SKU, we are required to undertake steps including, market research, research and development and related capital expenditure to respond effectively to market conditions. While we try to successfully introduce new products or SKUs within our existing product categories which includes our recently launched products such as modelling dough, ball point pens and glue sticks which have been well-accepted by the consumers, we cannot assure you that products or SKUs introduced by us in future will not face any lack of acceptance from consumers. As consumer tastes cannot be predicted with certainty and can change rapidly, our inability to foresee or respond effectively to the changes in market conditions could lead to a decline in the demand for our products or SKUs which could adversely affect our business, results of operations and financial condition.

10. Disassociation by F.I.L.A.- Fabbrica Italiana Lapid ed Affini S.p.A. – We cannot assure you that our Corporate Promoter, F.I.L.A.- Fabbrica Italiana Lapid ed Affini S.p.A. will not dilute its entire shareholding in our Company and/or not dissociate from our Company in the future, which may have a material adverse effect on our business operations, research and development and export capabilities.

As on the date of this Red Herring Prospectus, our Corporate Promoter, FILA, holds 28,687,735 Equity Shares in our Company, aggregating to 51.00% of our pre-Offer Equity Share capital. FILA is one of the Selling Shareholders in the Offer for Sale, with its post-Offer shareholding in our Company being [●]%* of the post-Offer Equity Share capital. There can be no assurance that, in the future, FILA will not dilute its shareholding in our Company, further or entirely, and/or disassociate itself from our Company, including by way of declassification as our promoter, in accordance with applicable law. Given that we derive a significant portion of our total export sales from the FILA Group and that our association with the FILA Group has helped us to further augment our R&D capabilities, any disassociation by FILA from our Company in the future may have a material impact on our business operations and in particular on our export sales. For further details, please see "*Internal Risk Factors – Risks relating to our business – 4. Dependence on FILA – As a Promoter, we are dependent on the FILA Group for our business operations and in particular for our export sales (export sales to FILA Group amounted to ₹693.13 million, ₹1,065.31 million, ₹1,586.07 million and ₹854.82 million in Fiscals 2021, 2022, 2023, and for the six months ended September 30, 2023, respectively, accounting to more than 59% of our total export sales in each of the last three Fiscals and six months period ended September 30, 2023 and more than 10% of our Gross Product Sales in each of the last three Fiscals and six months ended September 30, 2023). In the event FILA ceases to be a Promoter, it may affect our business operations, adversely impact our R&D and export capabilities. Further, any damage to the reputation of the FILA Group may adversely affect our business, results of operations and financial condition*." on page 35.

**To be updated at Prospectus stage.*

11. Related party transactions - We have entered, and will continue to enter, into related party transactions which may involve conflicts of interest.

We have in the past entered into transactions with certain of our related parties and are likely to do so in the future.

The table below sets forth the total amount of our related party transactions in the ordinary course of business for the periods stated:

Particulars	**Fiscal**						**Six months period ended September 30, 2023**	
	2021		**2022**		**2023**			
	Amount (₹ million)	**% of Revenue from Operations**	**Amount (₹ million)**	**% of Revenue from Operations**	**Amount (₹ million)**	**% of Revenue from Operations**	**Amount (₹ million)**	**% of Revenue from Operations**
Related party transactions	1,328.18	32.97	1,610.46	23.56	2,533.73	20.91	2,878.87	37.79

For further details, please see "*Summary of Offer Document- Summary of Related Party Transactions*" on page 26.

Such related party transactions may potentially involve conflicts of interest with equity shareholders. While all such transactions with our related parties have been conducted on an arm's length basis and have been duly approved by our Board/ Audit Committee in accordance with the Companies Act, we cannot assure you that we could not have obtained more favourable terms had such transactions been entered into with unrelated parties.

Operational Risk

12. Manufacturing facility - Any disruption, breakdown or shutdown of our Manufacturing Facilities may have a material adverse effect on our business, results of operations and financial condition.

Our manufacturing operations are primarily undertaken at our Umbergaon Manufacturing Facilities and Jammu Manufacturing Facility. We are solely dependent on our Umbergaon Manufacturing Facilities for the manufacturing of our 'stationery and art material' products. Further, we manufacture 'wooden slats' at our Jammu Manufacturing Facility.

Our Manufacturing Facilities are subject to operating risks, such as breakdown or failure of equipment, disruption in power supply or processes, severe weather condition, performance below expected levels of efficiency, obsolescence, labour disputes, natural disasters, industrial accidents, infectious diseases (such as the COVID-19 pandemic), and political instability. The occurrence of any such event could result in a temporary or long-term closure of our Manufacturing Facilities.

For instance, we had to cease our production activities by shutting down our Umbergaon Manufacturing Facilities for a period of 51 days from March 22, 2020 to May 11, 2020 and our Jammu Manufacturing Facility for a period of 43 days from March 22, 2020 to May 3, 2020, to comply with quarantine measures issued by the respective state government to contain the spread of COVID-19. Due to the shutdown, we also faced a negative impact on our revenues and results of operations. However, our Gross Product Sales and revenue from operations have grown at a CAGR of 72.69% and 73.45% respectively from Fiscal 2021 to Fiscal 2023.

Apart from the shutdown owing to COVID-19 which affected our entire manufacturing operations, we have not faced any material disruptions at our Manufacturing Facilities in the past three years. However, we cannot assure you that any adverse development will not occur in the future which may disrupt the operations at our Manufacturing Facilities. Such disruptions in our manufacturing operations could delay production or require us to cease operations temporarily or permanently at our Manufacturing Facilities and require us to incur additional expenditure to attempt to mitigate such disruption.

Additionally, our Jammu Manufacturing Facility is subject to the risk of potential stressful business conditions due to unrest in the Jammu & Kashmir region in general. There could be various impediments to undertake business in a volatile region such as occurrence of hartals and curfews, security issues, and workforce loss. While there have been no instances in the past three years wherein operations at our Jammu

Manufacturing Facility have been significantly impacted, any impairment to our operations due to conditions outside our control could have an adverse effect on our production capabilities, specifically with respect to the production of our wooden pencils.

Risk related to the Objects of the Offer

13. ***Risks associated with the Proposed Project - We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. This includes part financing the cost of establishing the Proposed Project which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. Further, the objects of the Offer includes orders for plant and machinery which have not yet been placed.***

    We have made and intend to continue making investments to expand the capacity of our manufacturing facilities to aid our growth efforts. We propose to deploy a sum of ₹2,800.00 million from the Net Proceeds to part finance the cost of establishing a new manufacturing facility to expand our production capabilities for a wide range of writing instruments, water colour pens, markers and highlighters, at Survey Nos: 153, 154, 155/2, 159, 160, 161, 164, 165, 166, 168, 170, 172, 175, 180, 181, 370 and 391/P1, Village Dehri, Umbergaon, District Valsad, 396170, Gujrat, India ("**Proposed Project**"). For details, see "*Objects of the Offer*" on page 101.

    The Proposed Project may be subject to regulatory, personnel or other difficulties that may increase our expenses, which could delay our plans or impair our ability to become profitable in these areas. Problems that could adversely affect our Proposed Project include (i) labour shortages, (ii) issues with procurement of equipment or machinery, (iii) increased costs of equipment or manpower, (iv) inadequate performance of equipment and machinery, (v) delays in completion, (vi) possibility of unanticipated future regulatory restrictions, (vii) incremental pre-operating expenses, (viii) taxes and duties, (ix) interest and finance charges, (x) working capital margin, (xi) environment and ecology costs, (xii) cost escalation and/or force majeure events (such as the COVID-19 pandemic) and (xiii) other external factors which may not be within the control of our management including any issues with third-party contract manufacturers. For instance, if there is any increase in the costs of equipment, additional costs will need to be borne by our Company from its internal accruals.

    While in the past three years, we have not faced any time and cost overruns in respect of our business operations, we cannot assure you that our Proposed Project will be successfully implemented. If our actual capital expenditure significantly exceeds our budgets, or even if our budgets were sufficient to cover the proposed project, we may not be able to achieve the intended economic benefits of the Proposed Project, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects.

    Further, the objects of the Offer includes orders for plant and machinery. However, we are yet to place any orders for plant and machinery in relation to the Proposed Project. We have estimated the requirement of the plant and machinery for the Proposed Project based on quotations received from third party vendors and as certified by Oriens Advisors LLP, an independent advisory firm of engineers, pursuant to their report dated November 25, 2023. We cannot assure you that we would be able to acquire the plant and machinery required for the Proposed Project at the prices as quoted/ estimated to us by the vendors. Any delay in acquisition of the plant and/ or machinery required for the Proposed Project could lead to time and cost overruns and may have a material adverse effect on our business, results of operations and financial condition. The completion of the Proposed Project is largely dependent on the performance of external agencies which are responsible for *inter alia* civil work, installation and commissioning of machinery and supply and testing of equipment. If the performance of these agencies is inadequate, it may result in incremental cost and time overruns which could adversely affect our business and results of operations. There can be no assurance that we will be able to complete the Proposed Project in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

    The Proposed Project will require us to obtain various approvals which are routine in nature. For further details, see "*Objects of the Offer – Government Approvals*" on page 106. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly. Our inability to procure such approvals or machinery and equipment at acceptable prices or in a timely manner, may result in an increase in capital expenditure and/ or in the extension of the proposed schedule implementation and deployment of Net Proceeds.

Other risks

14. Labour - Our operations are human capital intensive and may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

Our operations are human capital intensive, and we are highly dependent on our skilled and unskilled personnel for our business operations. The success of our operations depends on the availability of trained and qualified employees along with maintaining good relationship with our workforce. The table below sets forth the employee benefit expenses incurred by our Company, including as a percentage of our total expenses, for the last three Fiscals and the six months period ended September 30, 2023 as stated:

(in ₹ million)

Particulars	**For the year ended**			**For the six months period ended September 30, 2023**
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	
Employee benefit expenses*	710.63	1,014.12	1,417.96	1,025.26
% of total expenses	17.07	15.31	13.16	15.42

**Includes expenses incurred towards labour.*

Shortage of skilled and unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. While we have not experienced any major prolonged disruption in our business operations due to disputes or other problems with our workforce in the past, there can be no assurance that we will not experience any such disruption in the future. Such disruptions may adversely affect our business and results of operations and may also divert our management's attention and result in increased costs.

We have faced high attrition rates in the past. The table below sets forth information on the attrition rates of our full-time employees (including labours) for the periods stated:

Particulars	**As of/ for the year ended**			**As of/for the six months period ended September 30, 2023**
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	
Number of Employees	5,217	6,827	7,876	8,890
Attrition Rate(1)	48.43%	33.37%	32.46%	31.53%

(1)Attrition rate is calculated as number of employees who left during the year from amongst the employees who were employed at start of the year divided by opening number of employees.

As of September 30, 2023, we are supported by 8,890 employees which are on our payroll and 795 contract labourers. The table below sets forth the breakup of our full-time employees as well as contract labour as at September 30, 2023:

Particulars	**Number of employees as at September 30, 2023**
Skilled	1,395
Unskilled	7,495
Contract Labour	795

Competition for skilled personnel in our industry is high. Our competitors may offer compensation and remuneration packages beyond what we are offering to our employees. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining employees that our business requires, which may have a material adverse impact on our business, results of operations and financial condition.

In addition, we engage with independent contractors who in turn engage on-site contract labour for performance of certain of our manufacturing operations in India. Although our Company does not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractors. Further, while we have not encountered such instance in the past, we cannot assure that we will be able to renew the engagement with our independent contractors at commercially viable terms or at all.

15. ***Indebtedness - Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

As of October 31, 2023, we had total borrowings (including current borrowings and non-current borrowings) of ₹1,527.24 million. For details on our outstanding indebtedness, see the section titled "*Financial Indebtedness*" beginning on page 392.

Our ability to meet our obligations under our debt financing arrangements, which comprise term loans and working capital facility agreements, from time to time, and repayment of our outstanding borrowings will depend primarily on the cash generated by our business.

Our financing agreements generally include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions including but not limited to:

- any change in the capital structure, shareholding pattern, ownership, management, or control, including any dilution in the shareholding of our Promoters and Promoter Group;
- any amendments to our constitutional documents;
- undertaking any merger amalgamation, compromise or reconstruction;
- opening a new bank account;
- prior repayment of the credit facility;
- approaching capital market for mobilization of additional resources either in the form of debt or equity;
- effecting any dividend payout in case of delay in debt servicing or breach of any financial covenants; and
- undertaking any new business or operations or project or diversification of business.

These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document and may restrict or delay certain actions or initiatives that we may propose to take from time to time.

While we are currently in compliance with the financial covenants specified in our financing arrangements, we cannot assure you that we will continue to comply with all covenants with respect to our financing arrangements in the future or that we will be able to secure waivers for any such non-compliance in a timely manner or at all. Any future inability to comply with the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such facilities and the enforcement of any security provided. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes.

While there have been no instances in the past of any default of our debt obligations, in the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past, which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations and financial condition.

Risks relating to our business

16. ***Brand and counterfeiting risk - Any deterioration of our brand image, reputation and our consumer's awareness of our brand and products could have a material adverse effect on our business, results of operations and financial condition. Further, the availability of look-alikes, counterfeit products, primarily in our domestic market, manufactured by other companies and passed off as our products, could also adversely affect our goodwill and results of operations.***

    Our 'DOMS' brand plays a significant role in the success of our business and sustaining customer loyalty along with contributing between 76.00%-84.00% of our Gross Product Sales in each of the last three Fiscals and for the six months period ending September 30, 2023. There can be no assurance that our brand will not be adversely affected in the future by actions that are beyond our control including customer complaints, product liability claims, or adverse publicity and media coverage from any source in India and abroad. Unsuccessful product introductions may also erode our brand image. Any damage to our brand, if not immediately and sufficiently remedied, could have an adverse effect on our reputation, competitive position, business, results of operations and financial condition. While there have been no such instances in the past three years, which have adversely impacted our brand or reputation, any adverse change in the quality of our products, including due to reasons beyond our control, or adverse publicity and media coverage, even when false, could tarnish the image of our brand, result in negative reviews and feedback from our consumers.

    Maintaining and enhancing our brand's image may also require us to undertake significant expenditures and make investments in areas such as research and development, advertising and marketing through media and other channels of publicity, and towards employee development and training. The table below sets forth the expenditure incurred towards advertisement and business promotion in the period stated:

Particulars	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months period ended September 30, 2023**	
	Amount (₹ million)	**% of total expenses**	**Amount (₹ million)**	**% of total expenses**	**Amount (₹ million)**	**% of total expenses**	**Amount (₹ million)**	**% of total expenses**
Advertisement and business promotion expenses	15.06	0.36	28.09	0.42	34.12	0.32	25.25	0.38

    Further, since we operate in a highly unorganised industry and due to the popularity and recognition of our brand, we are exposed to the risk that entities in India and elsewhere could pass-off their products by imitating our brand, packing material and attempt to create counterfeit products, including spurious or pirated products. In the past, we have been made aware of several incidents of sale of such counterfeit products in India as well as abroad wherein we have initiated necessary actions to successfully defend our claim. For instance, we have initiated legal proceedings before Indian and international judiciary authorities against entities selling counterfeit products and in some cases the relevant judicial authorities have accordingly directed seizure of the counterfeit products along with imposing penalty obligations on the accused entities. Please also see "*Outstanding Litigation and Material Developments – Other material proceedings by our Company*" on page 395 for details pertaining to ongoing proceeding initiated by our Company against an entity selling counterfeit products bearing the trade mark of our Company. However, there can be no assurance that we would be able to prevent the proliferation of counterfeit and pirated products in the future, and the time and attention lost to defending such claims and complaints regarding counterfeit products could have a material adverse effect on our goodwill and our business, results of operations and financial condition.

17. ***Dependence on natural resources for raw materials - Some of the raw materials used in our production processes are natural resources and therefore we are subject to the risk of depletion of such natural resources.***

    Some of the raw materials used in our production processes such as 'wood', 'graphite' and 'calcium carbonate' are natural resources which are depleting in nature. We produce wooden slats from high-quality tree wood, sourced from Kashmir at our Jammu Manufacturing Facility. The wooden slats produced by us at our Jammu Manufacturing Facility as well as procured by us directly from Kashmir, Belgium, Kerala and China are the key input material for the production of our wooden pencils. We also use 'graphite' in the production of our wooden pencils which is undertaken at our Umbergaon Manufacturing Facilities. Since our key raw materials used in the production of our wooden pencils, 'wood' and 'graphite' are natural resources, we are subject to the risk of shortage or non-availability of such raw materials due to various factors which are beyond our control. Additionally, due to such shortage or non-availability, we are also subject to volatility in prices of our natural raw materials. The table below sets forth the contribution from our 'wooden pencils' to our total Gross Product Sales for the periods stated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Total Gross Product Sales	Amount (₹ million)	% of Total Gross Product Sales	Amount (₹ million)	% of Total Gross Product Sales	Amount (₹ million)	% of Total Gross Product Sales
Wooden Pencils	1,527.95	36.99	2,311.17	33.35	3,899.88	31.66	2,524.07	32.49

Costs of some of our natural raw materials, including as a percentage of our total cost of raw material consumed is set forth in the table below for the periods stated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Total cost of raw material*	Amount (₹ million)	% of Total cost of raw material*	Amount (₹ million)	% of Total cost of raw material*	Amount (₹ million)	% of Total cost of raw material*
Wood/ Wooden Slats	419.17	17.08	509.86	11.80	1100.46	14.42	652.65	14.22
Graphite	33.12	1.35	68.37	1.58	94.95	1.24	50.26	1.10
Calcium Carbonate	19.78	0.81	34.45	0.80	49.63	0.65	28.19	0.61

**Total cost of raw material = costs of material consumed + purchase of stock in trade + changes in inventories of finished goods, stock in trade and work-in-progress.*

Further, we use 'calcium carbonate', which is also a depleting resource, as a filler for few of our products. While we have not experienced any such shortages or non-availability of our natural raw materials in the past, we cannot assure you that we will not face any such shortage in the future.

Additionally, since 'wooden pencils' contributes to a considerable portion of our Gross Product Sales, any shortages or non-availability of 'wood' and/ or 'graphite' will also impact the production of our 'wooden pencils' and thereby will have a material adverse impact on our business, results of operations and financial condition.

18. ***Pricing pressure from suppliers - Increase in costs of raw materials or our inability to fully pass on costs to our customers, may impact our revenue from operations and profitability and may result in a materially adverse effect on our business, results of operations and financial condition.***

We depend on third parties for the supply of raw materials and packing materials using in production process and do not have exclusive arrangements with such suppliers. Please see, "- *Internal Risk Factors – Risks relating to our business – 5. Supply risk - We have not entered into any formal contracts or exclusive arrangement with our suppliers from whom we procure materials consumed by us for our manufacturing process. Further, we are dependent on certain limited suppliers for some of our raw materials. In the event, we are unable to procure such materials at terms favourable to us, or at all, our business, financial condition and results of operations may be adversely affected.*" on page 35. We are therefore exposed to volatility in the prices of the raw materials and packing materials due to a number of factors beyond our control.

Inflationary factors such as increase in the costs of raw materials and packing material used in our operations may adversely affect our business operations. The table below sets forth the cost of raw materials and packing material consumed, including as a percentage of our total Gross Product Sales for the periods stated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales
Cost of materials consumed	2,321.45	56.20	4,251.36	61.34	7,427.37	60.30	4,338.28	55.85

Inflationary factors such as increase in the costs of raw materials and packing material used in our operations and our inability to pass fluctuations in raw material and/ or packing material prices on to our customers and/or any gap in time to revise prices to pass on increased costs in the future could adversely affect our business, results of operations and financial condition.

19. ***Inventory risk - Our Company maintains high levels of inventory and any failure to correctly assess the demand for our products and maintain optimal inventory levels could further increase our inventory and inventory holding costs and adversely affect our business, results of operations and financial condition.***

Our production and distribution processes require us to anticipate the demand for our products. Pursuant to our agreements with our super-stockists, we require them to implement and adapt to our Distributor Management System ("**DMS**"). The DMS enables us to gain real time information over such super-stockist's sales and inventory and thereby get an insight into the secondary sales and markets trends. Currently, we monitor the inventory levels of 100% of our super-stockists for the 'DOMS' brand through DMS. In relation to our third-party exports, we have employed managers for our international business, on our permanent rolls, who coordinate with customers in these countries to understand their demand and requirement. There is no guarantee that our estimate of market demand in the geographies in which we sell our products will be accurate. In the event that we overestimate the demand for our products, we may expend resources in manufacturing excess products and other related expenditures. Further, there may be significant fluctuations in the demand for our products and components, as well as fluctuations in commodity prices, which increases the difficulty for us to determine and consequently maintain optimal levels of inventory.

The table below sets forth our inventory as of the dates and for the periods stated:

Particulars	As of/ for the year ended			As of/for the six months period ended September 30, 2023
	March 31, 2021	March 31, 2022	March 31, 2023	
Inventories (₹ million)	1,207.80	1,591.92	1,846.42	1,986.40
Inventory Days*	185	118	82	76

**Inventory days are calculated as average inventory at beginning and end of the year/ period divided by cost of goods sold multiplied by number of days.*

Since we are a manufacturing focused group with a significant portion of our consolidated sales being generated through goods manufactured in-house, we are typically required to maintain high levels of inventory. Further, since we have achieved complete backward integration of manufacturing operations for most of our products and, since the raw material requirements across our various product categories are very different, such as wood and graphite for our wooden pencils and oils and fillers for erasers, we maintain a high level of raw material inventory which also results in a higher level of inventory for our raw material and work in progress goods. In comparison, our inventory of finished goods and stock in trade are typically lower vis a vis our inventory of raw materials and work in progress goods.

Inventory levels that exceed customer demand may result in inventory write-downs or write-offs or we may be required to sell our excess inventory at discounted prices. While we have not been required to undertake significant write-downs or write-offs in the past on account of inventory mismanagement, there can be no assurance that such situations will not be occur in the future.

On the other hand, while we have also not in the ordinary course of business, faced any inadequacy in maintenance of our inventory level in the past, we cannot assure you that we will be able to maintain sufficient level of inventory in case we face a sharp increase in our consumer' requirements.

Other risks

20. Fragmented industry with unorganized players - The Indian 'stationery and art material' market is highly fragmented and has many small, unorganised players. Our inability to compete effectively with such unorganised players would have a material adverse effect on our business, prospects, operations or financial results.

We operate in a competitive business environment comprising of both organised and unorganised players. Retail sales channel for stationery products is primarily dominated by unorganised sales channel, constituting approximately 88% of the market as of Fiscal 2023 (*Source: Technopak Report*). With the unorganised players accounting for a majority share in retail sales, we are subject to the risk of pricing pressures from such players in the unorganized sector, as such players are able to offer products at a lower cost. While we work towards offsetting pricing pressures and enhancing our manufacturing capabilities to successfully launch new products, we cannot assure you that we will be able to compete effectively with the presence of the organised market players.

Further, operating in a highly unorganised industry also exposes us to the risk of entities passing off their products by imitating our brand and packing material. For further details, please see "*- Internal Risk Factors - Risks relating to our business – 16. Brand and counterfeiting risk - Any deterioration of our brand image, reputation and our consumer's awareness of our brand and products could have a material adverse effect on our business, results of operations and financial condition. Further, the availability of look-alikes, counterfeit products, primarily in our domestic market, manufactured by other companies and passed off as our products, could also adversely affect our goodwill and results of operations*" on page 43.

21. Low entry barrier - The 'stationery and art material' industry has a low entry barrier, resulting in a large number of players entering the market, which increases competition

Due to low entry barriers in terms of quantum of investment required to enter the business, the industry in which we operate is highly competitive, with a large number of players operating in the segments in which we also operate. Additionally, since entry costs in this industry is relatively lower, there is also a large presence of unorganised market players. For further details in relation to risks associated with the presence of unorganised players, please see *"- Internal Risk Factors – Other risks – 20. Fragmented industry with unorganized players - The Indian 'stationery and art material' market is highly fragmented and has many small, unorganised players. Our inability to compete effectively with such unorganised players would have a material adverse effect on our business, prospects, operations or financial results*" on page 46.

We are required to compete with such players on a multiple number of factors including quality of the products, price, product range, product mix, advertising and marketing efforts and efficiencies, design, look and feel of products and market penetration. Some of these market players may have substantially greater financial resources and their brand may have deeper customer recall. While we make efforts to compete effectively by identifying and responding to change in customer preferences, reducing cost of production, consolidating our position in existing market and penetrating into new markets and expanding our distribution network, we cannot assure you that we will not experience any material effect on our business specifically due to entry of large players in the 'stationery and art material' industry.

22. Unsecured borrowings repayable on demand - We have availed unsecured borrowings from certain lenders including our Promoters, members of the Promoter Group and directors of our Subsidiary which can be recalled by the lenders.

Our Company has accepted a sanction for an unsecured borrowing from Axis Bank Limited for an amount of ₹500.00 million as on October 31, 2023. In the event our Company draws down and avails of this facility, the borrowing would be repayable by our Company at the behest and demand of the lender.

Further, we have also entered into an agreement dated March 30, 2020 with our Promoters and members of the Promoter Group and agreements each dated April 1, 2023 with the directors of our Subsidiaries, and their related parties to avail unsecured borrowings for an aggregate amount of ₹1,350.00 million. The total outstanding unsecured borrowings as on October 31, 2023 is ₹952.19 million of which the unsecured borrowings repayable on demand as on October 31, 2023 is ₹252.64 million. The table below sets forth the unsecured borrowings repayable on demand availed from our Promoters, members of the Promoter Group and directors of our Subsidiaries and their related parties as a percentage of our total borrowings for the periods stated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of total borrowings	Amount (₹ million)	% of total borrowings	Amount (₹ million)	% of total borrowings	Amount (₹ million)	% of total borrowings
Loans repayable on demand – related parties	346.78	35.65	317.87	37.44	295.98	29.58	251.23	14.24

Such unsecured borrowings may be recalled by the lender at any time regardless of the repayment schedule and typically upon occurrence of certain events, such as failure to comply with the terms and conditions of the borrowings, triggering of cross defaults, etc. In such cases, we may be required to repay the entirety of the unsecured loan amount together with accrued interest. We may not be able to generate sufficient funds at short notice to be able to repay such borrowings and may be required to resort to refinancing such loans at a higher rate of interest and on terms not favourable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, results of operation financial condition and cash flow. For further details of our unsecured loans, please refer the sections titled "*Restated Consolidated Financial Information*" and "*Financial Indebtedness*" on pages 283 and 392 of this Red Herring Prospectus.

23. Risk relating to acquisitions - As part of our business strategy, we have undertaken certain acquisitions in the past and may continue to do so in the future. Any inability to manage our expansions effectively including through acquisitions and execute our growth strategy in a timely manner could have a material adverse effect on our business, results of operations and financial condition.

As part of our business strategy, we have in the past made, and may in the future make, acquisitions or investments in complementary companies, products and technologies as a mode of expanding our operations. In Fiscal 2016, we acquired 49.00% stake in Pioneer Stationery Private Limited ("**Pioneer**"), a company engaged in the business of manufacturing, selling, marketing and distribution of paper stationery products, for a consideration of ₹21.62 million, with a view to expand our business into the 'paper stationery' segment and subsequently increased our stake in Pioneer to 51.00%. Further, in Fiscal 2017, we also acquired 35.00% stake in Uniwrite Pens and Plastics Private Limited ("**Uniwrite**"), a company engaged in the business of manufacturing, selling, marketing and distributing plastic ball pens, plastic gel pens, and other writing pens and refills, for a consideration of ₹20.00 million with a view to expand into the 'pens' segment (with a subsequent increase in our stake in Uniwrite to 60%). In February 2023, we acquired a minority equity stake of 30.00% in Clapjoy Innovations Private Limited ("**Clapjoy**"), a company primarily engaged in the business of manufacturing and selling wooden board games, flash cards, puzzles and educational toys for a consideration of ₹15.01 million. Further, in August 2023, we acquired majority equity stake of 75.00% in Micro Wood Private Limited, a company engaged in the business of manufacturing of decorative tin boxes and paper packaging products for a consideration of ₹705.60 million. For more details, please see sections titled "*History and Certain Corporate Matters*" and "*Our Subsidiaries and Our Associate*" on pages 237 and 245, respectively.

We may fail to realize the anticipated benefits of the aforementioned acquisitions for a variety of reasons including but not limited to: (i) general risks in integration of sales and marketing infrastructures, (ii) failure to successfully manage relationships with existing customers, distributors, suppliers of such entities, (iii) failure to combine product offerings and product lines quickly and effectively, (iv) risks and costs associated with the litigation of the acquired businesses, (v) recruiting, training and retaining competent management and employees, and (vi) delays in project execution and significant time and cost overruns.

For instance, our acquisition in Uniwrite did not turn out as forecasted and resulted in impairment in value of investment amounting to ₹29.88 million and accordingly in Fiscal 2023, we divested our holding in Uniwrite. For more details, please see section titled "*History and Certain Corporate Matters*" on page 237.

We cannot assure you that our acquired businesses or any future acquisitions undertaken by us will generate the financial results that we anticipate or that we will be able to grow further, or at the same rate or in a cost-effective manner or be able to obtain the expected benefits of such acquisitions or arrangements. Any inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of consumers could have a material adverse effect on our business, results of operations and financial condition.

24. Insurance coverage - Our insurance coverage may not be adequate to protect us against all material risks.

Our business involves many risks and hazards which may adversely affect our profitability, including breakdowns, failure or substandard performance of equipment, labour disturbances, etc. Our principal types of insurance coverage include among others, marine insurance, mediclaim and group personal accident insurance, workmen's compensation insurance, business public liability insurance and standard fire and special perils insurance. Also see "*Our Business – Insurance*" on page 228.

We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. The following table sets forth certain information on our insurance coverage as at the dates stated:

Particulars	As on March 31, 2021		As on March 31, 2022		As on March 31, 2023		As on September 30, 2023	
	Amount (₹ million)	% of total assets	Amount (₹ million)*	% of total assets	Amount (₹ million)	% of total assets	Amount (₹ million)	% of total assets
Insured assets*	4,169.35	130.25	4,588.10	118.70	5,507.94	118.01	5,927.94	104.94

**Includes net carrying amount of property plant & equipment (other than land), and inventories.*

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at an acceptable cost, or at all. Additionally, in future, we may be required to bear increased premiums for our insurance to provide coverage for pandemics such as COVID-19.

While our insurance claims have not exceeded our insurance coverage in the last three Fiscals and we have not recognized any losses in the last three Fiscals due to partial or total rejection of our claims by our insurers, there can be no assurance that claims in the future will continue to be covered or accepted in full by our insurance policies. The occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events not covered by insurance policies, could materially harm our financial condition and future results of operations. There can be no assurance that any claims filed will be honoured fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage. Any such uninsured losses or liabilities could result in an adverse effect on our business operations, financial condition, results of operations and cash flows.

25. Contingent liabilities - Our contingent liabilities as stated in our Restated Consolidated Financial Information could adversely affect our financial condition.

As on September 30, 2023, the contingent liabilities and commitments that have not been provided for are as set out in the table below:

(in ₹ million)

Particulars	As at September 30, 2023
Income Tax payable on disallowance made under Section 80IB and 36(1)(va)	2.55

Our contingent liabilities may become actual liabilities and if a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future.

If at any time we are compelled to realize all or a material proportion of these contingent liabilities, it would have a material and adverse effect on our business, financial condition and results of operations.

Operational risks

26. Intellectual property rights - Any failure to protect our intellectual property rights could adversely affect our competitive position, business, results of operations and financial condition.

We have been granted 13 designs registered under the Designs Act, 2000, 419 registered trademarks under the Trade Marks Act, 1999, in India and 88 registered international trademarks. Failure to renew the registration of any of our registered trademarks or designs may affect our right to use such trademark or design in future. In addition, we have filed 118 applications for registration of trademarks in India, which includes the applications made for our Company's tag lines which are used for our business and operations, 49 applications for registration of trademarks internationally, and 13 applications for registration of designs, all of which are pending with relevant authorities. With respect to our trademarks and designs that have been applied for, we cannot assure you that such registration of our trademark or design will be granted to us in a timely manner, or at all. As a result, we may not be able to prevent infringement of our trademarks and designs and a passing off action may not provide sufficient protection until such time that such registration is granted. For instance, we had filed a suit dated December 27, 2022 against Amrik Singh and Sons and others for allegedly selling counterfeit products bearing the trade mark of our Company without taking any leave, license or permission to use such trade mark. For more details, please see the section titled "*Outstanding Litigation and Material Developments*" on page 395.

Certain of our manufacturing processes and technologies are not protected by way of grant of any formal intellectual property right. Pursuant to agreements entered into with our super-stockists, we impose certain contractual obligations to protect our intellectual property such as obligating our super-stockists to keep confidential, all technical, marketing and sales information regarding our products and any production or business know-how disclosed to them. While there have not been any infringement or violations of such obligations in the past, we cannot assure you that such instances will not occur in the future.

Further, detecting and protecting the unauthorised usage of our products, technology and proprietary rights is expensive, difficult and, in some cases, impossible. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights which may also result in an adverse impact on our brand image.

Additionally, we may face claims that our products infringe third party intellectual property rights. If such claims are raised against us in the future, they could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or cease usage of certain of our brands and can also result in significant damages being awarded and injunctions that could prevent manufacture and sale of the relevant products. For instance, a civil suit dated October 11, 2017 was filed against us by Kokuyo Camlin Limited ("**Camlin**") for an alleged infringement and passing off of certain designs in relation to mathematical instrument boxes, compasses, and dividers which are registered in the name of Camlin. For more details, please see the section titled "*Outstanding Litigation and Material Developments*" on page 395. Any of the foregoing could adversely affect our reputation, business, results of operations and financial condition.

27. Property - Our Registered Office, our Corporate Office and certain land parcels on which our Manufacturing Facilities are established are on long term leased premises. Also, some of our other facilities are located on premises leased from third parties. A failure to renew our existing lease arrangements at commercially favourable terms or at all may have a material adverse effect on our business, financial condition and results of operations.

Our Registered Office, our Corporate Office, and certain other manufacturing facilities have been leased from GIDC/ SIDCO on long term lease basis. Further, certain land parcels on which our facilities are established are held by us on leased premises from third parties and our related parties, which are leased on long term-basis in some cases and on short-term basis in other cases. We cannot assure you that we will be able to renew our leases on commercially acceptable terms or at all.

Some of our lease arrangements with third parties are due for renewal in the next two years. The table below sets forth the total amount of rent paid for all the leased properties as a percentage of the total revenue from operations for the periods stated:

Particulars	Fiscal						Six months period ended September 30, 2023	
	2021		2022		2023			
	Amount (₹ million)	% of Revenue from Operations	Amount (₹ million)	% of Revenue from Operations	Amount (₹ million)	% of Revenue from Operations	Amount (₹ million)	% of Revenue from Operations
Rent Paid	85.00	2.11	105.64	1.55	112.01	0.92	61.16	0.80

Some of these properties are also leased from our related parties. For further details, see "*Our Business – Property*" and "*Related Party Transactions*" on pages 228 and 354, respectively.

In the event that we are unable to renew our lease arrangement within time in the future, we may be required to vacate our current premises and make alternative arrangements for new offices and other infrastructure. We cannot assure you that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations or shut down our manufacturing facilities during this period, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, financial condition, cash flows and results of operations.

28. ***Dependence on third party transportation providers - We rely on third-party transportation providers for both procurement of our raw materials and distribution of our products. Any failure by any of our transportation providers to deliver our raw materials or our products on time, or in good condition, or at all, may adversely affect our business, financial condition and results of operations*.**

We depend on third parties for the transportation of our raw materials to our Manufacturing Facilities and to deliver the finished products to our super-stockists and various channel partners. We are therefore significantly dependent on transportation and logistics companies that we engage with. The table below sets forth out freight outwards and clearing expenses for the periods stated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations
Freight outwards and clearing expenses	132.51	3.29	215.70	3.16	361.06	2.98	203.85	2.68

As we do not control our third-party freight and transportation providers, we could be subject to transportation strikes that could hamper supplies and deliveries to and from our customers and suppliers. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products. While in the past we have not faced any material disruption in the services provided by our transportation providers, we cannot assure you that our delivery cycles cannot be impacted in the future due to any disruptions in transportation services.

<u>Legal and regulatory risks</u>

29. ***Legal proceedings - There are certain outstanding legal proceedings involving our Company, Subsidiaries, Directors and Promoters. Any adverse decisions in these proceedings could impact our reputation, business and financial condition.***

As on the date of this Red Herring Prospectus, there are certain outstanding legal proceedings involving our Company, Subsidiaries, Directors and Promoters. These proceedings are pending at different levels of adjudication before various courts and regulatory authorities. Such proceedings could divert management time and attention and consume financial resources in their defence. Furthermore, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition, results of operations and future cash flows.

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Directors, our Promoters, and our Group Companies in accordance with the SEBI ICDR Regulations and the Materiality Policy as on the date of this Red Herring Prospectus, is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigation	Aggregate amount involved* *(in ₹ million)*
Company						
By our Company	Nil	Nil	Nil	Nil	1	20.00
Against our Company	Nil	6	4	Nil	1	8.79
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	2	Nil	Nil	0.54
Promoters						
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	Nil	2	Nil	Nil	0.54
Subsidiaries						
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	Nil	2	Nil	Nil	Nil
Group Companies						
By our Group Companies				Nil	Nil	Nil
Against our Group Companies				Nil	Nil	Nil

**Amount to the extent quantifiable.*

We cannot provide any assurance that these legal proceedings will be decided in our favour. Decisions in such proceedings adverse to our interests may have an adverse effect on our business, results of operations and financial condition.

30. ***Regulatory approvals and licenses - We are subject to various laws and extensive government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required in the ordinary course of our business, including environmental, health and safety laws and other regulations, our business financial condition, results of operations and cash flows may be adversely affected.***

Our business and operations are subject to a number of approvals, licenses, registrations and permissions, among other things, relating to occupational health and safety (including laws regulating the generation, storage, handling, use and transportation of waste materials, the emission and discharge of hazardous waste materials into soil, air or water, and the health and safety of employees) and mandatory certification requirements for our facilities and products. For regulations and policies applicable to our Company, see the section titled "*Key Regulations and Policies in India*" on page 230. There can be no assurance that we will be in compliance at all times with such laws, regulations and the terms and conditions of any such consents or permits. If we violate or fail to comply adequately with these requirements, we could be fined or otherwise sanctioned by the relevant regulators. While we have not been fined or otherwise sanctioned in the last three Fiscals which could have a significant impact on our business, any fines or sanctions in the future could adversely affect our business, reputation, financial condition or results of operations.

We may need to apply for additional approvals including the renewal of approvals which may expire from time to time, in the ordinary course of business. For details in relation to a Material Approval for which we have made a renewal application, please see "*Government and Other Approvals - Material approvals for which fresh applications/renewal applications have been made*" on page 404. If we fail to retain, renew or receive any of approvals, licenses, registrations, permissions or renewals, in a timely manner or at all, our business, financial condition, results of operations, cash flows and prospects may be adversely affected. While we have not faced rejection in the past in relation to any approvals/ licenses that we have applied for, we cannot assure you that we will not face rejections in relation to any application made by us in the future for additional approvals or renewal of expired approvals.

Risks related to our Promoters and Promoter Group

31. ***Dependence on Promoter and others - We depend on our Promoters, Key Managerial Personnel, and Senior Management Personnel for conducting our business and undertaking our day to day operations. The loss of or our inability to retain, such persons could materially adversely affect our business performance.***

    Our business is dependent upon our Promoters, Key Managerial Personnel, and Senior Management Personnel, who oversee our day-to-day operations, strategy and growth of our business. If any of our Promoters or one or more members of our Key Managerial Personnel and Senior Management Personnel are unable or unwilling to continue in their present positions, such persons could be difficult to replace in a timely and cost-effective manner. For details in relation to our dependence on our Corporate Promoter for our business operations, please see "*- Internal Risk Factors – Risks relating to our business – 4. Dependence on FILA – As a Promoter, we are dependent on the FILA Group for our business operations and in particular for our export sales (export sales to FILA Group amounted to ₹693.13 million, ₹1,065.31 million, ₹1,586.07 million and ₹854.82 million in Fiscals 2021, 2022, 2023, and for the six months ended September 30, 2023, respectively, accounting to more than 59% of our total export sales in each of the last three Fiscals and six months period ended September 30, 2023 and more than 10% of our Gross Product Sales in each of the last three Fiscals and six months ended September 30, 2023). In the event FILA ceases to be a Promoter, it may affect our business operations, adversely impact our R&D and export capabilities. Further, any damage to the reputation of the FILA Group may adversely affect our business, results of operations and financial condition*." on page 35. There can be no assurance that we will be able to retain these personnel. The loss of any of these personnel or our inability to replace them may restrict our growth prospects, affect our ability to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our business, results of operations, financial position and cash flows. As on the date of this Red Herring Prospectus, we have two Key Managerial Personnel and eight Senior Management Personnel. For details in relation to the experience of our Promoters, Key Managerial Personnel and our Senior Management Personnel, see the sections titled "*Our Promoters and Promoter Group – Individual Promoters, Corporate Promoter*" and "*Our Management – Brief profiles of our Directors, Brief profiles of our Senior Management Personnel*" on pages 272 and 249 respectively.

    While we have not experienced any significant change in our Promoters, Key Managerial Personnel, and Senior Management Personnel in the past, we cannot assure you that we may not lose such persons in the future, or that we will be able to replace such persons in a timely manner or at all, which could have a material adverse impact on our business, results of operations, financial position and cash flows. Please also see "*Our Management - Changes in the Key Managerial Personnel and Senior Management Personnel in last three years*" on page 270.

32. ***Guarantees provided by our Promoters - Our Promoters have provided guarantees for certain borrowings obtained by us and our Subsidiaries, and any failure or default by us or our Subsidiaries to repay such loans could trigger repayment obligations on our Promoters, which may impact our Promoters' ability to effectively service their obligations as our Promoters and thereby, adversely impact our business and operations.***

    As of September 30, 2023, certain of our borrowings are backed by guarantees provided by our Promoters. For further details in relation to our borrowings and details of guarantees given by our Promoters, see "*Financial Indebtedness*" and "*History and Certain Corporate Matters- Details of guarantees given to third parties by our Promoters participating in the Offer for Sale*" on pages 392 and 242 respectively.

    The details of guarantees provided by our Promoters in relation to our borrowings, and outstanding as of the date of this Red Herring Prospectus, are stated below:

Amount of the guarantee	Purpose	Entity in whose favour the guarantee has been provided	Obligation of the Promoter	Terms of the borrowing	Impact of the terms of borrowing on the Company/ Subsidiary
FILA					
₹336.00 million	In respect of borrowing facilities availed by our Company*	BNP Paribas	BNP Paribas is entitled to invoke the standby letter of credit ("**SBLC**") in accordance with the terms and conditions of the SBLC.*	-	-
Sanjay Mansukhlal Rajani and Santosh Rasiklal Raveshia					
₹50.00 million	In respect of borrowing facilities availed by our Subsidiary, Micro Wood Private Limited	HDFC Bank Limited	HDFC Bank Limited is entitled to invoke the guarantee in accordance with the terms and conditions of the deed of guarantee.	HDFC Bank Limited vide sanction letter dated May 18, 2023, sanctioned a term loan facility amounting to ₹35.00 million and a working capital facility amounting to ₹15.00 million to our Subsidiary, Micro Wood Private Limited ("**HDFC Facility**"). Repayment of the HDFC Facility is to be made in the form of 60 equated monthly instalments. For further details, see "*Financial Indebtedness – Principal terms of the borrowings currently availed by our Company and Subsidiaries*" on page 393.	Pursuant to the HDFC Facility, our Subsidiary is required to take prior written consent from the lender for certain corporate actions including inter alia: (i) effecting any change in the management and control, (ii) effecting any change in the capital structure or shareholding pattern, (iii) undertaking any new project or implementing any scheme of expansion/ diversification, and (iv) formulating or entering into any scheme of, amalgamation, or reconstruction. For further details, see "*Financial Indebtedness – Principal terms of the borrowings currently availed by our Company and Subsidiaries – Key Covenants*" on page 393.

* *The working capital facility limited sanctioned to our Company by BNP Paribas has been terminated by BNP Paribas, as requested by our Company on October 16, 2023.*

Any default or failure by us to repay the loans in a timely manner or at all could trigger repayment obligations on the part of our Promoters in respect of such loans. This, in turn, could have an impact on the Promoters' ability to effectively service its obligations as the Promoter of our Company, thereby having an adverse effect on our business, results of operations and financial condition.

Further, in the event that our Promoters withdraw or terminate the guarantees, the lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our business, results of operations and financial condition.

33. ***Other interests of Promoters, Directors and Key Managerial Personnel or Senior Management Personnel - Our Promoters and certain of our Directors, Key Managerial Personnel and Senior Management Personnel have interests in our Company other than their normal remuneration or benefits and reimbursement of expenses.***

Our Promoters and certain of our Directors, Key Managerial Personnel and Senior Management Personnel may be regarded as having an interest in our Company or having benefits other than the reimbursement of expenses incurred and normal remuneration or benefits. Our Promoters and certain of our Directors, may be deemed to be interested to the extent of Equity Shares held by them as well as to the extent of any dividends, bonuses, or other distributions on such Equity Shares.

For instance, we have availed a principal amount of ₹883.18 million (outstanding as on September 30, 2023) from certain of our Directors. The table below sets forth the loans availed from our Directors as a percentage of our total borrowings for the periods stated:

Particulars	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Six months period ended September 30, 2023**	
	Amount (₹ million)	**% of total borrowings**	**Amount (₹ million)**	**% of total borrowings**	**Amount (₹ million)**	**% of total borrowings**	**Amount (₹ million)**	**% of total borrowings**
Loans availed from our Directors	249.88	25.69	208.60	24.57	188.60	18.85	883.18	50.07

Further, we cannot assure you that our Promoters and Directors, will exercise their rights as shareholders to the benefit and best interest of our Company under all circumstances. For further details, see "*Capital Structure*", "*Our Management – Interest of Directors*", "*Our Promoters and Promoter Group – Interests of our Promoters*" on pages 87, 257 and 275 respectively.

34. ***Control of Promoters - We will be controlled by our Promoters along with members of our Promoter Group so long as they hold a majority of the Equity Shares, which will allow them to influence the outcome of certain matters submitted for approval of our Shareholders and their interests may not be aligned with the interest of other Shareholders.***

Currently, our Promoters and members of our Promoter Group collectively, own an aggregate of 100.00% of our Equity Share capital on a fully diluted basis. Post completion of the Offer, our Promoters and members of our Promoter Group are expected to retain majority shareholding in our Company and shall continue to be in a position to exercise significant control which could limit your ability to influence corporate matters requiring Shareholders' approval. The Promoters and members of our Promoter Group will have substantial influence over decisions regarding mergers, consolidations and sales of all or substantially all of its assets, election of Directors, any amendment to our Memorandum of Association and Articles of Association and including the issuance of Equity Shares and dividend payments and other significant corporate actions. However, the interest of the Promoters and members of our Promoter Group may differ from the interests of other Shareholders. This concentration of ownership may also discourage, delay or prevent a change in control of our Company, which could deprive the Shareholders of an opportunity to receive a premium for their Equity Shares in a sale of our Company or may reduce the market price of the Equity Shares.

<u>Other risks</u>

35. ***Expansion Strategies - If we cannot execute our strategies to expand existing customer accounts and geographical footprint effectively, our business and prospects may be materially and adversely affected.***

Our current strategies include targeting new customers as well as expanding existing customer accounts. Further, we also plan on deepening our geographical footprint in in certain South East Asian countries as well as in the African continent. Such strategies could, in the future, include expansion to new markets with high entry barriers, regulatory or financial, and will thereby place significant demands on our management, operational and financial resources. For further details, please see "*Our Business – Our Growth Strategies –*

Supplement our product portfolio in order to expand our addressable market size and capture higher consumer wallet share" and *Our Business – Our Growth Strategies – Strengthen our distribution network and expand our modern trade channels"* on pages 212 and 213, respectively.

Our ability to expand our business is subject to multiple risks and uncertainties including but not limited to: (i) inability to raise significant additional funds on reasonable terms or at all, (ii) delays and cost overruns in projects undertaken due to factors beyond our control, (iii) delays or denial of required approvals by relevant governmental authorities, (iv) inadequate infrastructure and logistics for the delivery of our products internationally, (v) inability to adapt our operational and management systems to an expanded distribution network, (vi) unforeseeable delays in market development of new products, and (vii) failure of third-parties to adhere to our specifications, quality standards and/ or timelines.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy. Our inability to manage and implement our strategy could have a material adverse effect on our business, financial condition and profitability. While we have not experienced any such instances in the past, we cannot assure you that we will not be subject to the aforementioned risks and uncertainties in the future.

36. ***Capacity utilisation - Information relating to historical installed capacity and estimated capacity utilization of our Manufacturing Facilities included in this Red Herring Prospectus is based on various assumptions and estimates and our future production and capacity utilization may vary. Under-utilization of our manufacturing capacity and an inability to effectively utilize our Manufacturing Facilities may have an adverse effect on our business and future financial performance.***

Information relating to our historical installed capacity and estimated capacity utilization of our Manufacturing Facilities included in this Red Herring Prospectus is based on various assumptions and estimates of our management that have been taken into account by the independent chartered engineer, namely, Prabhakar Prabhu P.K., including standard capacity calculation practice of industry after examining the calculations and explanations provided by our Company, the equipment production capacities and other ancillary equipment installed at the facilities. For further information regarding our Manufacturing Facilities, including our historical installed capacity and estimated capacity utilization, see "*Our Business – Production Capacity and Capacity Utilisation*" on page 224. Accordingly, actual and future manufacturing volumes and capacity utilization rates may differ significantly from the estimated production capacities of our manufacturing facilities. Undue reliance should therefore not be placed on the information relating to our installed capacities or historical capacity utilization of our Manufacturing Facilities included in this Red Herring Prospectus.

37. ***Technological advancement - Our inability to compete with technological advancements in the stationery sector may render our products obsolete thereby impacting our business, operations, growth prospects or financial results.***

We are in general subject to the risk of technological advancement in the stationery sector which includes the current market trends of shifting away from the conventional mode of classroom learning to the new age 'online learning'. The primary reason behind this shift was the COVID-19 outbreak which resulted in the closure of all educational institutions thereby leading to the global emergence of remote digital learning methodologies. While we have a diversified product portfolio which in addition to scholastic stationery also includes office supplies, fine art products, hobby and craft items and toys, a major portion of our Gross Product Sales is contributed by our scholastic stationery category. In the event the emergence of online education continues to augment in the future thereupon posing a threat of digitisation of the instructional education environment, we could experience a drastic decline in the Gross Product Sales across our product categories primarily in the scholastic stationery category which contributes to a majority of our Gross Product Sales. For details in relation to the impact of COVID-19 on our business operations and profits, please see "*Internal Risk Factors – Other risks – 41. COVID-19 - Our business and operations were adversely impacted by the COVID-19 pandemic and the future impact on our business, operations and financial performance from a recurrence or a similar outbreak cannot be predicted*." on page 57.

While, at present, the education system in India is one among the largest compared to other countries in the world and is expected to reach at INR 25 trillion by Fiscal 2028 from INR ~14 trillion in Fiscal 2023. (*Source: Technopak Report*), we cannot assure that the stationery product market may not face detrimental impacts in the future due to rising digitalization.

38. ***Counterparty credit risk - We are exposed to counterparty credit risk, and we may be subject to delays in or non-receipt of payments.***

While majority of our business through our general trade channel is conducted on an advance payment basis, business through our modern trade channel and export sales to the FILA Group, which amounted to ₹1,848.93 million and constituted 15.01% of our Gross Product Sales in Fiscal 2023, is conducted on a credit basis. Accordingly, we may face counterparty credit risk in the usual course of our business due to the nature of and the inherent risks involved in arrangements with our counterparties who may delay or fail to make payments or perform their other contractual obligations. The table below sets forth our trade receivables for the periods stated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Trade receivables (in Days)*	35	24	13	10

**Trade receivables days are calculated as average trade receivables at beginning and end of the year/ period divided by revenue from operation multiplied by number of days*

In the past, there have been certain instances where we have experienced delays as well as non-receipt of payment from our counterparties. For instance, the table below sets forth the write offs made by us on account of failure of payment by our counterparties in the periods stated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of total trade receivables	Amount (₹ million)	% of total trade receivables	Amount (₹ million)	% of total trade receivables	Amount (₹ million)	% of total trade receivables
Trade receivables written off	-	-	-	-	3.29	0.92	-	-

A significant delay in or non-receipt of large payments or non-performance by our customers or any other counterparties could materially and adversely affect our cash flows, results of operations and financial condition.

39. ***Object not appraised by banks or financial institutions - The objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Any variation in the utilization of our Net Proceeds as disclosed in this Red Herring Prospectus would be subject to certain compliance requirements, including prior Shareholders' approval.***

We intend to use the Net Proceeds for the (i) Proposed Project (as defined above); and (ii) general corporate purposes in the manner specified in the section titled "*Objects of the Offer*" on page 101. The proposed deployment of the Net Proceeds has not been appraised by any bank or financial institution or other independent agency and is based on internal management estimates based on current market conditions and historic level of expenditures. Any variation in the utilization of the Net Proceeds shall be on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, which may not be within the control of our management, and may be subject to various other approvals, which includes, amongst others obtaining prior approval of the Shareholders of our Company.

Various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Accordingly, the use of the Net Proceeds to fund our growth and for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

40. ***Incidents of theft or fraud - We may be subject to fraud, theft or such similar incidents which may have an adverse effect on our business operations and financial conditions.***

Our business is exposed to the risk of incidents of theft, fraud, pilferage by employees, misappropriation of funds or inventory and such similar incidents. An increase in the levels of shrinkage at our Manufacturing Facilities or warehouses may require us to deploy more security staff and increase surveillance which would increase our operational costs and adversely affect our profitability.

While there have been minor instances of theft at our Manufacturing Facilities and warehouses in the past, due to the low value of each SKU, we have not faced any material losses.

We have security measures set up at our Manufacturing Facilities and warehouses such as security cameras, deployment of security guards and processes of period stock checking. While we take steps towards preventing loss of stock, there is no assurance that we will be successful in preventing losses and will not experience any instances of theft, fraud, negligence, or such similar instances in the future which may adversely affect our business, results of operations and financial conditions. For further details, see *"Risk Factors – Internal Risk Factors – Other risks – 24. Insurance coverage - Our insurance coverage may not be adequate to protect us against all material risks"* on page 48.

41. ***COVID-19 - Our business and operations were adversely impacted by the COVID-19 pandemic and the future impact on our business, operations and financial performance from a recurrence or a similar outbreak cannot be predicted.***

The rapid spread of COVID-19 and global health concerns relating to this outbreak had a severe negative impact on, among other things, the demand for stationery products, the availability of raw materials, the functioning of logistics networks and economic conditions and trade generally, all of which had a material adverse impact on our business, cash flows, results of operations and financial condition. Further, we had to cease our production activities by shutting down our Umbergaon Manufacturing Facilities for a period of 51 days from March 22, 2020 to May 11, 2020 and our Jammu Manufacturing Facility for a period of 43 days from March 22, 2020 to May 3, 2020, to comply with quarantine measures issued by the government to contain the spread of COVID-19.

The COVID-19 outbreak severely hit the stationery market as the Government of India on March 24, 2020, imposed a nationwide lockdown which also resulted in closure of all educational institutions thereby impacting business activities across the industry in which we operate. While, the nationwide lockdown lasted until May 31, 2020, educational institutions such as schools and colleges continued to remain shut for a long period. From March 2021 onwards, due to a "second wave" of increases 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. Multiple lockdowns along with the extended closure of educational institutions have affected us in terms of reducing our sales, revenue and expansion plans, as well as disruption our distribution network.

As a result of the COVID-19 pandemic, our revenue from operations were subject to volatility and fluctuation, primarily due to the temporary disruptions in certain of our clients' business operations caused by the COVID-19 outbreak. For instance, our revenue from operations were ₹4,028.17 million in Fiscal 2021, which was 69.71% lower as compared to our revenue from operations in Fiscal 2022, which was ₹6,836.01 million predominantly due to COVID-19 related lockdown. For further details, see "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 356.

As on the date of this Red Herring Prospectus, while the COVID-19 pandemic is no longer materially affecting our business and operations, there can be no assurance that there will be no such future impact as a result of a major recurrence of an outbreak of COVID-19, or another significant global outbreak of a severe communicable disease, and in such a scenario, our business, financial condition and operations may be adversely affected.

42. ***Internal controls - If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Despite our internal control systems, we may be exposed to operational risks, including fraud, petty theft and embezzlement or other misconduct by our employees, such as unauthorized business transactions, leaking of confidential information especially in relation to products under development, bribery and breach of any applicable law or our internal policies and procedures, or by third parties, such as breach of law may be difficult to detect or prevent, which may adversely affect our reputation, business, financial condition, results of operations and cash flows and subject us to sanctions imposed by government authorities. Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions.

While we have not faced any material disruption in our internal controls in the past, any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, each of which may have an adverse effect on our business, financial condition, results of operations and cash flows.

43. Information technology - Technology failures could disrupt our operations and adversely affect our business operations and financial performance.

IT systems are critical to our ability to manage our production process, inventory management, customer management, financial management, data handling, and supply chain management and in turn, to maximize efficiencies and optimize costs. Our IT systems enable us to coordinate our operations, from automated production to logistics and transport, invoicing, customer relationship management and decision support. For details, see "*Our Business – Information Technology*" on page 227.

If we do not allocate and effectively manage the resources necessary to implement and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies and, in some instances, loss of customers. Challenges relating to the revamping or implementation of new IT structures can also subject us to certain errors, inefficiencies, disruptions and, in some instances, loss of customers. Our IT systems, and the systems of our third-party IT service providers may also be vulnerable to a variety of interruptions due to events beyond our control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Although we have security initiatives and disaster recovery plans in place to mitigate the risk to these vulnerabilities, such measures may not have been effectively implemented or may not be adequate to ensure that its operations are not disrupted.

For instance, in February 2022, we faced a ransomware attack due to which our enterprise resources planning system could not be accessed for a period of 4 to 7 days affecting our varied operations including invoice generation, payment processing etc. While we restored the functionality of our enterprise resources planning system, there is no assurance that we will not experience similar disruption in our IT systems in the future and that we will be able to remedy such disruption in a timely manner or at all. Any such disruption of our information technology systems could have a material adverse effect on our business, results of operation and financial condition.

44. We may face a competitive disadvantage due to our limited presence in certain countries which are significant in the global stationery and art materials market, which could adversely impact our business, prospects, operations or financial results.

Our distribution network is majorly concentrated in the Indian market, where we sell our products through: (i) general trade; (ii) modern trade and e-commerce; and (iii) original equipment manufacturers (OEMs) and institutional sales. While we do have an international presence on account of our export sales to FILA Group and certain third parties (including in the United States of America, which contributed to approximately 9.02% of the Gross Products Sales of the Company in Fiscal 2023), we are yet to establish a significant presence in countries such as the United States of America (which accounted for approximately one third of global stationery and art materials market size in 2022) and China (which captured approximately 10% of the global stationery and art materials market share) (*Source: Technopak Report*).

Additionally, while the United States of America and China are the world's two major paper producing countries, the Indian paper market accounts for only approximately 5% to 6% of the global paper production (*Source: Technopak Report*). In Fiscal 2016, we acquired Pioneer Stationery Private Limited with a view to expand our business into the 'paper stationery' segment. The table below sets forth the contribution from our 'paper stationery' category to our total Gross Product Sales for the period stated:

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Total Gross Product Sales	Amount (₹ million)	% of Total Gross Product Sales	Amount (₹ million)	% of Total Gross Product Sales	Amount (₹ million)	% of Total Gross Product Sales
Paper stationery	402.54	9.75	640.78	9.25	1,273.52	10.34	773.15	9.95

We cannot assure you that our efforts to increase our market share in the 'paper stationery' category through expansion to various key global regions will be successful.

Our inability to increase our international reach especially in key geographies such as the United States of America and China and to compete effective with key players, may have an adverse effect on our business, prospects, operations or financial results.

45. ***Industry Data - Industry information included in this Red Herring Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us.***

We have used the report titled "*Industry Report on the Stationery and Art Material Market in India*" dated November 23, 2023 issued by Technopak Advisors Private Limited, who were exclusively commissioned by our Company for purposes of inclusion of relevant industry information in this Red Herring Prospectus. The Technopak Report has been commissioned and paid for by us for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged Technopak in connection with the preparation of the Technopak Report pursuant to a letter of authorization dated March 17, 2023. Neither our Company, the Selling Shareholders nor the BRLMs are related to Technopak. The Technopak Report uses certain methodologies for market sizing and forecasting and may include numbers relating to our Company that differ from those we record internally. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. Given the scope and extent of the Technopak Report, disclosures are limited to certain excerpts and the Technopak Report has not been reproduced in its entirety in this Red Herring Prospectus. There are no parts, data or information (which may be relevant for the proposed issue), that have been left out or changed in any manner. Also see, "*Certain Conventions, Use of Financial Information, Market Data and Currency of Presentation – Industry and Market Data*" on page 17.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ significantly from those included in this Red Herring Prospectus. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

46. ***Common pursuits - Our Corporate Promoter, our Subsidiaries and certain of our Group Companies have common pursuits with our Company as they are engaged in similar business or industry segments and may compete with us. Our Promoters and Directors are involved with one or more ventures which are in the same line of activity or business as that of our Company.***

Certain of our Subsidiaries, our Group Companies and our Corporate Promoter are engaged in a business similar to ours. For further details, please see, "*Our Promoters and Promoter Group*", "*Our Subsidiaries and Our Associate*" and "*Group Companies – Common pursuits between our Group Companies and our Company*" on pages 272, 245 and 280, respectively. Therefore, there may be a conflict of interest in allocating business opportunities between us, our Corporate Promoter, our Subsidiaries and our Group Companies. While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, we cannot assure you that there will not be any conflict of interest between our Company, our Corporate Promoter, our Subsidiaries and such Group Companies in the future or if such conflict of interest will be resolved in an impartial manner. We have not entered into any non-compete agreements with our Corporate Promoter, Subsidiaries and such Group Companies and there can be no assurance that such entities will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

Further, certain of our Promoters and our Directors hold directorship in certain companies, including certain of our Group Companies, which are in the same line of business as our Company. While there is presently no conflict, we cannot assure you that our Promoters and our Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. This may give rise to a conflict of interest, which may adversely affect our business, financial condition, cash flows and results of operations.

47. Offer for Sale - We will not receive any proceeds from the Offer for Sale portion.

The Offer consists of a Fresh Issue and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹8,500.00 million by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders and we will not receive any proceeds from the Offer for Sale. For details, see the section titled "*Objects of the Offer*" on page 101.

48. Non-GAAP measures - Certain non-GAAP financial measures and performance indicators used in this Red Herring Prospectus to review and analyse our financial and operating performance may have limitations as analytical tools, may vary from any standard methodology applicable across the manufacturing industry in which we operate, and may not be comparable with financial or statistical information of similar nomenclature computed and presented by other companies.

We use certain supplemental non-GAAP measures to review and analyse our financial and operating performance from period to period, and to evaluate our business, which have been included in this Red Herring Prospectus. Although these non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating and financial performance. For more information on the non-GAAP financial measures used in this Red Herring Prospectus, see "*Definitions and Abbreviations*", "*Basis for Offer Price", "Our Business-Key Performance Indicators", "Other Financial Information- Reconciliation of Non-GAAP Financial Measures" and* "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Measures*" on pages 1, 111, 203, 351 and 358, respectively.

Presentation of these non-GAAP financial measures and key performance indicators should not be considered in isolation from, or as a substitute for, analysis of our historical financial performance, as reported and presented in our Restated Financial Information set out in this Red Herring Prospectus. These non-GAAP financial measures and performance indicators are not defined under Ind AS, are not presented in accordance with Ind AS and have limitations as analytical tools which indicate, among other things, that they do not reflect our cash expenditures or future requirements for capital expenditure or contractual commitments or the changes in, or cash requirements for, our working capital needs; or the finance cost, or the cash requirements necessary to service our debt. These non-GAAP financial measures may differ from similar titled information used by other companies, including peer companies, who may calculate such information differently and hence their comparability with those used by us may be limited. Therefore, these non-GAAP financial measures and key performance indicators should not be viewed as substitutes for performance or profitability measures under Ind AS or as indicators of our operating performance, cash flows, liquidity or profitability.

External risk factors

49. External factors - We are subject to political, economic or other factors that are beyond our control.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of the Equity Shares are and will be dependent to a large extent on the health of the economies in which we operate.

All of our assets and employees are located in India, and we intend to continue to develop and expand our business in India.

Our business and financial condition could be impacted by certain factors, including the following:

- any slowdown in the Indian economy in the future;
- increase in interest rates which may adversely impact our access to capital and increase our borrowing costs, which may in turn constrain our ability to grow our business and operate profitably;
- a change in the trade policies, in terms of tariff and non-tariff barriers, in the countries from which we import raw materials and to which we export our products;
- fluctuations in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy as well as the valuation of the Indian Rupee;
- political instability, resulting from a change in government or in economic and fiscal policies;
- major hostilities involving India, China, the United States or other countries or other acts of violence including civil unrest or terrorist attacks;
- any adverse fluctuations in global commodity prices;
- the occurrence of natural or man-made disasters or epidemic or pandemic such as COVID-19; and
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

50. Inflation - If inflation were to rise in India, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers and our profits may decline.

Inflation rates could be volatile. The Indian economy has had sustained periods of high inflation in the recent past and we may face high inflation in the future. Increasing inflation in India could cause a rise in interest rates, costs of rent, employee wages, raw materials transportation and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, whether entirely or in part, and may materially and adversely affect our business and financial condition and decrease demand for our products and services, which may adversely affect our profitability and competitive advantage. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could materially and adversely affect our business, cash flows, results of operations, financial condition and prospects. Further, the Indian Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

51. Regulatory environment - Changing laws, rules and regulations and legal uncertainties, potential adverse application or interpretation of corporate and tax laws.

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

For instance, GoI has announced the Union Budget for the Fiscal 2024 pursuant to which the Finance Act, 2023 has introduced various amendments to taxation laws in India. Amendments made pursuant to the

Finance Act, 2023 may have an impact on our business, financial condition and results of operations. As a result, any such changes or interpretations could adversely affect our business and financial performance.

52. ***Economic conditions - Recent global economic conditions have been challenging and continue to affect the Indian market.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the COVID-19 pandemic caused an economic downturn in several major economies and generated volatility in, and general adverse impact on, the global securities markets, including in India. Further, it is not possible for us to predict the extent and duration of this volatility and adverse impact on the global or Indian securities markets, including any possible impact on our Equity Shares. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Further deterioration in the global economy as a result of COVID-19 or otherwise, or the perception that such deterioration could occur, may continue to adversely affect global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could adversely affect our business, cash flows, results of operations, financial condition and reduce the price of our Equity Shares. Any financial disruption could materially and adversely affect our business, results of operations, Shareholders' equity and the price of our Equity Shares.

53. ***Disruptions to global supply chains: Owing to recent global disruptions, geopolitical crises and environmental disruptions, there may be disruptions to the global supply chains which could negatively impact our export sales and/ or the availability of our raw materials and packing materials thereby affecting our business, financial condition and results of operations.***

The global supply chains are threatened by rising global disruptions including on account of various geopolitical crisis. For instance, the recent Israel – Palestine conflict or the Russia – Ukraine conflict, along with the resulting imposition of sanctions, are expected to have a negative impact on the global economy which could have a corresponding impact on our export sales. Any disruption in the supply chains may also result in us facing challenges to import some of the raw materials and packing materials used in our manufacturing process. While we have not been materially affected by any such global disruption in the last three Fiscals and six months period ended September 30, 2023, there can be no assurance that our business and results of operations will not get adversely affected in the future due to any of such global factors.

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

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms on which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

55. ***Accounting principles - Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and US GAAP, with which investors may be more familiar.***

We present our financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements included in this Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should be limited accordingly.

56. Indian legal principles may differ from those that would apply to a company in another jurisdiction. Thus, rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights, including in relation to class actions, under Indian law may not be similar to shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

57. Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters including to comply with the minimum public shareholding requirements applicable to our Company or other major shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt-financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares.

58. Competition Law - We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly: (i) involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services; (ii) shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market; or (iii) results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by the Competition Commission of India ("**CCI**"). Additionally, the Competition Commission of India (Procedure in regard to the Transaction of Business Relating to Combinations) Regulations, 2011, as amended, set out the mechanism for implementation of the merger control regime in India. The CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by it at this stage.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any award passed by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, cash flows and results of operations.

59. Sanctions - Economic sanctions imposed by the United States and other jurisdictions may expose us to potential compliance risks.

Various international jurisdictions, including the United States, restrict investments or otherwise doing business in or with certain countries or territories and with certain persons or businesses that have been specially designated by such government agencies. Other governments and international or regional organizations also administer similar economic sanctions.

Our customers may be located in and/ or may enter into transactions with end customers, either directly or indirectly through distributors and agents, located in, jurisdictions to which certain Office of Foreign Assets Control of the U.S. Department of the Treasury-administered and other sanctions apply, such as Iraq, Syria, Libya and Myanmar. We have made sales to customers/ entities located in such countries representing 1.50% of our total sales in Fiscal 2023. In each case, we believe such sales have been conducted in accordance with applicable sanctions laws and regulations. We have limited information about and control over the identity of our customers and there can be no assurance that our past or future customers have not been included or will not include persons or entities targeted by or were not or will not be located in any country that is the subject of sanctions. In addition, our Corporate Promoter currently has operations in Russia through its subsidiary, FILA Stationery O.O.O. While such operations are not material and our Corporate Promoter is in the process of divesting its stake in its Russian subsidiary, there can be no assurance that its operations will not be subject to international sanctions administered by other governments and authorities.

As part of our growth strategy, we intend to expand our international operations. While we select our partners which operate in certain geographies and have the ability to review and exclude shipments from and to destinations in order to comply with applicable laws, however, there might be exposure to jurisdictions that are subject to sanctions, which we expect and believe will not be material to our overall revenue from operations. In addition, as a result of our business activities or a change in the scope or application of sanctions, our counterparties, including our vendors and suppliers, or our other customers, that are required to comply with such sanctions laws and regulations, may seek to terminate or modify our contractual arrangements to impose additional conditions that may be adverse to our operations or business prospects, or may be precluded from entering into commercial transactions with us.

Future changes to sanctions regimes may also require us to discontinue existing operations, or prevent us from doing business, in jurisdictions subject to such sanctions, which could have an adverse effect on our business, operations, prospects or financial results, including as a result of disputes arising from the termination of our existing contractual arrangements.

If we fail to comply with current or future applicable laws we could incur significant fines and other penalties and suffer negative publicity and reputational damage, which could have an adverse effect on our financial condition, cash flows, results of operations or business. Further, investors in the Equity Shares could incur reputational or other risks as a consequence. There can be no assurance that our future business will be free of risk under sanctions implemented by these jurisdictions or that we will be able to conform our business operations to the expectations and requirements of such international regulatory agencies that do not have jurisdiction over our business but nevertheless assert the right to impose sanctions on an extraterritorial basis. In addition, because many sanctions programs are evolving, new requirements or restrictions could come into effect which might increase regulatory scrutiny of our business or result in some of our business activities being subject to sanctions.

60. ***Rights of shareholders of companies under Indian law may be different compared to the laws of other jurisdictions.***

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

Risks related to the Offer and the Equity Shares

61. ***Dividend - Our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our operating cash flow, working capital requirements, contractual obligations, applicable legal restrictions and overall financial position.***

Our ability to pay dividends in the future will depend on our operating cash flow, profit after tax, working capital requirements, capital expenditure requirements and debt levels and cost of borrowings. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We have adopted a dividend distribution policy pursuant to a resolution of the Board dated July 14, 2023, which lays down the principles for distribution of dividend by our Company to our Shareholders and sets out *inter alia* the financial parameters and/or internal and external factors to be considered by our Company before declaring or recommending dividend to Shareholders and the circumstances under which Shareholders may or may not expect dividend. Out of the past three financial years, we have declared and paid dividend only in Fiscals 2022 and 2023. For details, see "*Dividend Policy*" on page 282. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and it may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends in the future.

62. Bonus Issue – Our Company's ability to issue bonus shares to its Shareholders will depend on a number of factors such as our profits and existing reserves.

Our ability to issue bonus shares to our Shareholders depends on several factors such as our profits and existing reserves. Any bonus issuance by our Company will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the applicable laws. While we have, on July 6, 2023, issued bonus shares in the ratio of 150 Equity Shares for every one existing Equity Shares held by our Shareholders, we cannot assure you that we will be able to undertake issuance of bonus shares with the same bonus ratio in the future or at all.

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

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple, market capitalization etc.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

64. Foreign exchange rate fluctuation - We are subject to risks arising from exchange rate fluctuation.

Although our reporting currency is Indian Rupee, we transact a portion of our business including purchases and sales of goods and services in several other currencies, primarily in USD and Euro. and are therefore exposed to foreign exchange risk between Indian Rupee and other foreign currencies.

Further, we may be required to incur non-Rupee indebtedness in the form of external commercial borrowings and other foreign currency denominated borrowings, which may create foreign currency exposure in respect of our cash flows and ability to service such debt. The table below sets forth the secured foreign currency loans from banks as on the end of the periods stated:

(in ₹ million)

Particulars	As on March 31, 2021	As on March 31, 2022	As on March 31, 2023	As on September 30, 2023
Foreign currency loans	203.21	264.22	158.05	67.19

The table below sets forth the breakdown of our unhedged foreign currency exposure as on the dates stated:

(in ₹ million, except column on % of total revenue from operations)

Particulars	As at March 31, 2021	% of total revenue from operations for Fiscal 2021	As at March 31, 2022	% of total revenue from operations for Fiscal 2022	As at March 31, 2023	% of total revenue from operations for Fiscal 2023	As at September 30, 2023	% of total revenue from operations for the six months period ended September 30, 2023
Unhedged exposure on translation of trade receivables (A)	113.60	2.82	261.37	3.82	263.38	2.17	359.43	4.72
Unhedged exposure on translation of trade payables (B)	59.53	1.48	112.60	1.65	116.23	0.96	134.40	1.76
Balance in EEFC account (C)	8.40	0.21	22.13	0.32	102.25	0.84	116.83	1.53
Unhedged foreign currency exposure (net) (D=A-B+C)	**62.47**	**1.55**	**170.90**	**2.50**	**249.40**	**2.06**	**341.86**	**4.49**

We are, therefore, exposed to exchange rate fluctuations due to the revenue that we receive, the raw materials that we purchase and our financing arrangements that are denominated in currencies other than the Indian Rupee. For details, please see, "*Restated Consolidated Financial Information – Annexure VII – Note 43: Financial instruments- Fair values and risk management*" on page 330. In addition, the policies of the Reserve Bank of India may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, cash flows and results of operations.

We have not entered into formal hedging arrangements. To the extent we are unable to match revenues received in foreign currencies with costs incurred in the same currency, or there are sharp exchange rate fluctuations between such currencies, it could have a material adverse effect on our liquidity or our ability to efficiently utilize our working capital.

65. Our Equity Shares have never been publicly traded, and, after the Offer, our Equity Shares may experience price and volume fluctuations, and an active trading market for our Equity Shares may not develop. The price of our Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The determination of Price Band is based on various factors and assumptions and will be determined by our Company, in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Managers through the book building process prescribed under the SEBI ICDR Regulations. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter.

The market price of the Equity Shares may be subject to the following factors resulting in significant fluctuations with respect to the market price of the Equity Shares:

(a) results of operations that vary from the expectations of research analysts and investors;

(b) results of operations that vary from those of our competitors;

(c) changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;

(d) conditions in financial markets, including those outside India;

(e) change in research analysts' recommendations;

(f) announcements by us or our competitors of new products, significant acquisitions, strategic alliances or joint operations;

(g) claims or proceedings by third parties or governmental entities of significant claims or proceedings against us;

(h) new laws and governmental regulations or changes in laws and governmental regulations applicable to our industry;

(i) developments relating to our peer companies; and

(j) general economic and stock market conditions.

66. ***Qualified Institutional Buyers and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after Bid/Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within three Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell the Equity Shares allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline upon listing. QIBs and Non-Institutional Bidders will therefore not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Bids and Allotment.

67. ***Investors may be subject to stamp duty on transfer and taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, the investors may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. We cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect our business, financial condition and results of operations.

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

Our Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before our Equity Shares can be listed and trading in our Equity Shares may commence, including the crediting of the Investors' "demat" accounts within the timeline specified under applicable law. Furthermore, in accordance with Indian law, permission for listing of our Equity Shares will not be granted until after our Equity Shares in this Offer have been Allotted and submission of all other relevant documents authorizing the issuing of our Equity Shares. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with a depository participant could take approximately two Working Days from the Bid/Offer Closing Date, and trading in our Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/Offer Closing Date. There could be a failure or delay in the listing of our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise to commence trading in our Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that our Equity Shares will be credited to investors' demat accounts, or that trading in our Equity Shares will commence within the prescribed time periods or at all. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

69. Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.

Under the exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the approval of the RBI will be required for such transaction to be valid.

Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Neither the Consolidated FDI Policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change may differ in practice, which may have an adverse effect on our ability to raise foreign capital. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

70. Foreign investors may not be able to enforce judgments obtained in foreign courts against us.

Our Company is incorporated under the laws of India. Many of our Directors and the executive officers are residents of India and a significant portion of our assets are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons in jurisdictions outside India, or to enforce against us or such parties judgments obtained in courts outside India based upon the liability provisions of foreign countries, including the civil liability provisions of the federal securities laws of the United States. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908 (the "**CPC**").

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Instead, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the CPC. Section 13 of the CPC provides that a foreign judgment shall be conclusive as to any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the GoI has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty but does not include an arbitration award, even if such an award is enforceable as a decree or judgment.

The United States and Canada have not been declared by the GoI to be a reciprocating territory for the purpose of Section 44A of the CPC. However, the United Kingdom, United Arab Emirates, Singapore and Hong Kong, among others, have been declared by the GoI to be reciprocating territories. A judgment of a court in the United States or another jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. It is also unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered.

71. Pre-emptive rights - Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

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

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares (1)(2)	Up to [●] Equity Shares aggregating up to ₹12,000.00 million
which comprises	
Fresh Issue (1)	Up to [●] Equity Shares aggregating up to ₹3,500.00 million
Offer for Sale (2)	Up to [●] Equity Shares aggregating up to ₹8,500.00 million
Of which:	
Employee Reservation Portion(3)	Up to [●] Equity Shares aggregating up to ₹50.00 million
Net Offer	Up to [●] Equity Shares aggregating up to ₹[●] million
The Net Offer comprises of:	
A) QIB Portion(4)(5)	Not less than [●] Equity Shares aggregating to ₹[●] million
***of which*:**	
(i) **Anchor Investor Portion**	Up to [●] Equity Shares
(ii) **Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)**	[●] Equity Shares
of which:	
(a) **Available for allocation to Mutual Funds only (5% of the Net QIB Portion)**	[●] Equity Shares
(b) **Balance of the Net QIB Portion for all QIBs including Mutual Funds**	[●] Equity Shares
B) Non-Institutional Portion(4)(5)	Not more than [●] Equity Shares aggregating to ₹[●] million
of which:	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million	[●] Equity Shares
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	[●] Equity Shares
C) Retail Portion(5)(6)	Not more than [●] Equity Shares aggregating to ₹[●] million
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Red Herring Prospectus)	56,250,218 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See the section titled "*Objects of the Offer*" on page 101 for information about the use of the Net Proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

(1) The Offer has been authorized by a resolution of our Board dated July 20, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated July 24, 2023. Further, our Board has taken on record the consents of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution of our Board dated August 17, 2023.

(2) Each of the Selling Shareholders has confirmed that its respective Offered Shares are eligible for being offered for sale in the Offer in compliance with the Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders confirms compliance with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable. Each Selling Shareholder has authorised their respective participation in the Offer for Sale as set out below:

Sr. No.	Name of the Selling Shareholders	Aggregate amount of Offer for Sale (in ₹ million)	Date of resolution, if applicable	Date of consent letter
1.	*F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A.*	*Up to [●] Equity Shares aggregating up to ₹8,000.00 million*	*July 21, 2023*	*August 17, 2023 and November 24, 2023*
2.	*Sanjay Mansukhlal Rajani*	*Up to [●] Equity Shares aggregating up to ₹250.00 million*	*N.A.*	*August 17, 2023*
3.	*Ketan Mansukhlal Rajani*	*Up to [●] Equity Shares aggregating up to ₹250.00 million*	*N.A.*	*August 17, 2023*

(3) The initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount), however, an Eligible Employee may submit a Bid for a maximum Bid Amount of ₹0.50 million under the Employee Reservation Portion. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employees not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹0.50 million as applicable, net of Employee Discount), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date. For further details, see the section titled "Offer Structure" on page 429.

(4) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For details, see the section titled "Offer Procedure" on page 433.

(5) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. In the event of under-subscription in the Offer, after receiving minimum subscription for 90% of the Fresh Issue and complying with Rule 19(2)(b) of the SCRR, if there remains any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be: (i) first made towards the portion of the Offered Shares offered by FILA, Sanjay Mansukhlal Rajani and Ketan Mansukhlal Rajani, inter-se in proportion to their respective shareholding in the Company.

(6) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see the section titled "Offer Procedure" on page 433.

For details, including in relation to grounds for rejection of Bids, refer to the sections titled "*Offer Structure*" and "*Offer Procedure*" on pages 429 and 433, respectively. For details of the terms of the Offer, see the section titled "*Terms of the Offer*" on page 422.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Consolidated Financial Information as at and for the Fiscals ended March 31, 2021, March 31, 2022, and March 31, 2023 and the six months period ended September 30, 2023.

The Restated Consolidated Financial Information referred to above are presented under "Financial Information" on page 283*. The summary of financial information presented below should be read in conjunction with the "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages* 283 *and* 356*, respectively.*

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RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million, unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at September 30, 2023
ASSETS				
Non-current assets				
Property, plant and equipment	1,868.51	1,861.25	2,798.89	3,466.38
Capital work-in-progress	30.52	40.06	68.91	22.69
Right of use assets	379.41	382.01	381.60	475.44
Goodwill	33.48	20.14	20.14	623.71
Other intangible assets	5.07	2.35	1.45	1.00
Financial assets				
-Investment	-	-	15.02	14.14
-Other financial assets	113.99	106.34	109.21	157.28
Deferred tax assets (net)	3.00	11.98	31.69	51.20
Other tax assets (net)	10.12	10.64	2.99	10.54
Other non-current assets	57.54	93.49	174.41	204.32
Total non-current assets (A)	**2,501.64**	**2,528.26**	**3,604.31**	**5,026.70**
Current assets				
Inventories	1,207.80	1,591.92	1,846.42	1,986.40
Financial assets				
- Trade receivables	419.23	491.62	356.39	497.12
- Cash and cash equivalents	226.71	92.99	342.54	482.31
- Bank balances other than cash and cash equivalents as above	63.40	64.65	74.45	16.42
-Loans	4.86	5.88	8.11	7.93
Other current assets	151.60	199.29	165.61	277.69
Total current assets (B)	**2,073.60**	**2,446.35**	**2,793.52**	**3,267.87**
Total assets (A+B)	**4,575.24**	**4,974.61**	**6,397.83**	**8,294.57**
EQUITY AND LIABILITIES				
Equity				
- Equity share capital	3.73	3.73	3.73	562.50
- Other equity	2,332.38	2,468.74	3,370.59	3,413.63
Equity Attributable to owners of the Company	2,336.11	2,472.47	3,374.32	3,976.13
Non-controlling interest	80.68	108.47	179.13	245.76
Total equity (C)	**2,416.79**	**2,580.94**	**3,553.45**	**4,221.89**
Liabilities				
Non-current liabilities				
Financial liabilities				
- Borrowings	28.99	28.52	151.55	855.67
- Lease liabilities	283.15	293.62	302.57	364.61
Provisions	59.62	78.19	91.29	119.81
Total non-current liabilities (D)	**371.76**	**400.33**	**545.41**	**1,340.09**
Current liabilities				
Financial liabilities				
- Borrowings	943.75	820.52	849.10	908.12
- Lease liabilities	80.66	86.72	94.82	115.65
- Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	34.02	45.18	50.63	55.84
- Total outstanding dues of creditors other than micro enterprises and small enterprises	534.19	766.12	819.22	888.92
- Other financial liabilities	131.43	130.97	175.15	302.12
Other current liabilities	47.96	77.48	200.10	231.32
Provisions	10.50	18.56	35.93	76.82
Current tax liabilities (net)	4.18	47.79	74.02	153.80
Total current liabilities (E)	**1,786.69**	**1,993.34**	**2,298.97**	**2,732.59**
TOTAL EQUITY AND LIABILITIES (C+D+E)	**4,575.24**	**4,974.61**	**6,397.83**	**8,294.57**

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(in ₹ million, unless otherwise stated)

Particulars	For the Fiscal 2021	For the Fiscal 2022	For the Fiscal 2023	For the six months period ended September 30, 2023
Income				
Revenue from operations	4,028.17	6,836.01	12,118.90	7,617.98
Other income	59.71	26.24	46.33	24.17
Total income (I)	**4,087.88**	**6,862.25**	**12,165.23**	**7,642.15**
Expenses				
Cost of materials consumed	2,321.45	4,251.36	7,427.37	4,338.28
Purchase of stock-in-trade	115.61	137.15	261.05	344.06
Changes in inventories of finished goods, stock-in-trade and work-in-progress	16.39	(67.79)	(54.75)	(93.17)
Employee benefits expense	710.63	1,014.12	1,417.96	1,025.26
Finance costs	88.05	103.00	118.80	78.45
Depreciation and amortisation expense	347.69	380.13	406.50	227.86
Other expenses	563.84	804.04	1,200.68	729.10
Total expenses (II)	**4,163.66**	**6,622.01**	**10,777.61**	**6,649.84**
Share of profit equity accounted investees	-	-	0.01	(0.88)
Profit/(loss) before tax for the year (I-II-III)	**(75.78)**	**240.24**	**1,387.63**	**991.43**
Tax expenses				
Current tax	24.34	75.38	378.53	266.65
Deferred tax (credit)	(39.86)	(6.54)	(19.61)	(14.28)
	(15.52)	**68.84**	**358.92**	**252.37**
Profit/(loss) for the year/ period	**(60.26)**	**171.40**	**1,028.71**	**739.06**
Other comprehensive (loss)/income				
Items that will not be reclassified to profit or loss				
Remeasurements of post- employment benefit obligations	14.38	(9.69)	(0.43)	(15.37)
Income tax relating to these items	(3.62)	2.44	0.11	3.87
Total other comprehensive income for the year/ period	**10.76**	**(7.25)**	**(0.32)**	**(11.50)**
Total comprehensive income for the year/period (VII+VIII)	**(49.50)**	**164.15**	**1,028.39**	**727.56**
Profit/(loss) attributable to :				
Owners of the parent	(90.18)	143.61	958.12	706.27
Non-controlling interest	29.92	27.79	70.59	32.79
Other comprehensive income/(loss) attributable to :				
Owners of the parent	10.76	(7.25)	(0.52)	(11.33)
Non-controlling interest	-	-	0.20	(0.17)
Total comprehensive income / (loss) attributable to :				
Owners of the parent	(79.42)	136.36	957.60	694.94
Non-controlling interest	29.92	27.79	70.79	32.62
Earnings per Equity Share				
Basic (₹)	**(1.07)**	**3.05**	**18.29**	**13.14**
Diluted (₹)	**(1.07)**	**3.05**	**18.29**	**13.14**

RESTATED SUMMARY STATEMENT OF CASH FLOWS

(in ₹ million, unless otherwise stated)

Particulars	For the Fiscal 2021	For the Fiscal 2022	For the Fiscal 2023	For the six months period ended September 30, 2023
Cash flow from operating activities				
Profit/(loss) before tax	(75.78)	240.24	1,387.63	991.43
Adjustments for:				
Depreciation and amortisation expense	347.69	380.13	406.50	227.86
Finance costs	88.02	102.52	118.80	78.45
Interest income	(8.63)	(10.65)	(12.11)	(5.27)
Provision for doubtful debts	-	25.13	-	-
Provisions no longer required written back	(0.04)	(2.09)	(1.05)	(0.02)
Gain on disposal of property plant and equipments (net)	(30.41)	(0.44)	(1.26)	(0.29)
Share of loss equity accounted investees (net of tax)	-	-	-	0.88
Loss on sale of investment in subsidiary companies	-	-	0.05	-
Impairment loss on goodwill	-	13.35	-	-
Unrealised foreign exchange loss/(gain) (net)	2.34	(0.17)	24.98	18.19
Operating cash inflow before working capital changes	**323.19**	**748.02**	**1,923.54**	**1,311.23**
Adjustments for working capital change in:				
-(Increase)/decrease in inventories	68.96	(384.12)	(254.50)	(71.75)
-Decrease/(increase) in trade receivables	(85.73)	(57.21)	134.76	(29.79)
-Decrease/(increase) in other current assets	(11.36)	(33.93)	33.68	(105.47)
-(Increase)/decrease in other financial non -current assets	(50.87)	7.79	(2.87)	(38.20)
-Decrease in other non-current assets	0.82	0.63	0.03	(2.72)
-(Increase) in long term advances	(1.44)	(1.09)	(2.23)	0.33
-(Increase) in other financial assets	(1.09)	(14.37)	-	-
-Increase/(decrease) in trade payables	(82.30)	210.02	61.82	52.74
-Increase/(decrease) in other current liabilities	(19.22)	29.22	122.62	27.17
-Increase/(decrease) in short term provisions	9.27	(1.63)	16.94	24.72
-Increase in long term provisions	1.91	18.56	13.10	24.32
-Increase in other financials liabilities	21.98	19.46	30.40	102.38
Net decrease/(increase) in working capital	**(149.07)**	**(206.67)**	**153.75**	**(16.27)**
Cash generated from operations	**174.12**	**541.35**	**2,077.29**	**1,294.96**
Income tax paid (net of refunds)	(21.99)	(31.96)	(344.66)	(213.80)
Net cash flows generated from operating activities (A)	**152.13**	**509.39**	**1,732.63**	**1,081.16**
Cash flow from investing activities				
Purchase of property, plant and equipment (including CWIP and capital advances) (net)	(230.18)	(348.93)	(1,362.91)	(634.53)
Proceeds from sale of property plant and equipments	66.13	2.42	8.47	0.46
Investment in subsidiaries	(0.15)	-	-	(705.10)
Investment in associates	-	-	(7.51)	(7.51)
Proceeds/ (investment in fixed deposits)	(31.92)	(1.40)	(9.80)	58.03
Proceeds from sale of investment in subsidiary companies	-	-	0.30	-
Interest received	8.63	10.65	12.11	5.27
Net cash flows (used in) investing activities (B)	**(187.49)**	**(337.26)**	**(1,359.34)**	**(1,283.38)**
Cash flow from financing activities				
Dividend paid	-	-	(55.88)	(93.13)
Proceeds from share issue	0.23	-	-	-
Proceeds of long term borrowings	15.11	21.34	162.64	571.40
Repayments of long term borrowings	(22.32)	(23.05)	(22.73)	(20.90)
Proceeds of short term borrowings	408.47	41.19	51.13	176.91
Repayments of short term borrowings	(17.20)	(155.85)	(45.44)	(164.37)

Particulars	For the Fiscal 2021	For the Fiscal 2022	For the Fiscal 2023	For the six months period ended September 30, 2023
Payment of lease liabilities	(50.81)	(79.17)	(73.59)	(62.59)
Finance cost paid - Lease liabilities	(20.98)	(31.25)	(32.03)	(16.68)
Finance cost paid	(63.21)	(79.06)	(107.84)	(48.65)
Net cash flows (used in)/generated from financing activities (C)	**249.27**	**(305.85)**	**(123.74)**	**341.99**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**213.91**	**(133.72)**	**249.55**	**139.77**
Cash and cash equivalents at beginning of the year	12.80	226.71	92.99	342.54
Cash and cash equivalents at end of the year	226.71	92.99	342.54	482.31
Net increase/(decrease) in cash and cash equivalents	**213.91**	**(133.72)**	**249.55**	**139.77**

GENERAL INFORMATION

Our Company was originally incorporated as '*Writefine Products Private Limited*' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 24, 2006, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Pursuant to a Board resolution dated April 6, 2017 and a special resolution dated April 11, 2017, the name of our Company was changed to '*DOMS Industries Private Limited*' and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on April 21, 2017. Upon the conversion of our Company into a public limited company, pursuant to the approval accorded by our Shareholders at their extra-ordinary general meeting held on July 14, 2023, the name of our Company was changed to "*DOMS Industries Limited*" and a fresh certificate of incorporation consequent upon change of name upon conversion to public limited company was issued to our Company by the RoC on August 3, 2023. For details relating to the changes in registered office of our Company, see the section titled "*History and Certain Corporate Matters*" on page 237.

Registered Office of our Company

DOMS Industries Limited
J-19, G.I.D.C
Opp. Telephone Exchange,
Umbergaon – 396 171,
Dist. Valsad, Gujarat, India

For details of change in our Registered Office, see "*History and Certain Corporate Matters – Change in the registered office of our Company*" on page 237.

Corporate Office of our Company

DOMS Industries Limited
Plot No. 117
52 Hector Expansion Area, G.I.D.C.
Umbergaon Gujarat – 396 171
India

Company registration number and corporate identity number

Registration number: 049275
Corporate identity number: U36991GJ2006PLC049275

Address of the Registrar of Companies

The Registrar of Companies

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

The Registrar of Companies
ROC Bhavan, Opposite Rupal Park Society
Behind Ankur Bus Stop, Naranpura
Ahmedabad 380 013, Gujarat, India

Board of Directors

The following table sets out the brief details of our Board of Directors as on the date of this Red Herring Prospectus:

Name	Designation	DIN	Address
Gianmatteo Terruzzi	Chairman and Independent Director	10229991	Via Francesco Borella 5b, Mendrisio – 6850, Switzerland
Santosh Rasiklal Raveshia	Managing Director	00147624	Plot no. 114, GIDC colony,

Name	Designation	DIN	Address
			Umargram, Umbergaon, I.e., Valsad– 396 171, Gujarat, India
Sanjay Mansukhlal Rajani	Whole Time Director	03329095	Plot no – 113, GIDC colony, Umbergaon, Valsad– 396 171 Gujarat, India
Ketan Mansukhlal Rajani	Whole Time Director	02490829	1 Floor, Prabhuniwas, Chitranjan Road, Vile Parle East, Mumbai – 400 057, Maharashtra, India
Chandni Vijay Somaiya	Whole Time Director	02003554	B/3/23, GIDC colony, Umargram, Umbergaon, I.e., Valsad – 396 171, Gujarat, India
Massimo Candela	Non-Executive Director	05189114	1 Via Leone XIII, Milan – 20145, Italy
Luca Pelosin	Non-Executive Director	05189104	105 Via Monte Grappa, Cinisello Balsamo – 20092, Italy
Annalisa Matilde Elena Barbera	Non-Executive Director	07504740	1 Via Leone XIII, Milan – 20145, Naples, Italy
Cristian Nicoletti	Non-Executive Director	10042858	Via Mazzini Giuseppe, No. 31, Letter – H Staircase – B, Cornaredo, Milan – 20010, Italy
Rajiv Ishwarbhai Mistry	Independent Director	01382798	5 C-1304/5 Spring Leaf Tower, Akurli Road, Lokhandwala Township, Kandivali East, Mumbai – 400 101, Maharashtra, India
Mehul Shah	Independent Director	02127656	Aspen-2401, Mahindra Eminente, S V Road, Behind Patkar College, Goregaon West, Mumbai– 400 104, Maharashtra, India
Darshika Thacker	Independent Director	03532365	Sindhu Building, Flat – 10, A Wing, 205 Sion Main Road, Sion, Mumbai - 400 022, Maharashtra, India

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 249.

Company Secretary and Compliance Officer

Mitesh Padia is our Company Secretary and Compliance Officer. His contact details are as set forth below:

Plot No. 117
52 Hector Expansion Area, G.I.D.C.
Umbergaon Gujarat – 396 171
India
Telephone: +91 74348 88445
E-mail: ir@domsindia.com

Investor grievances

Bidders may contact the Company Secretary and Compliance Officer, BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related queries, grievances and for redressal of complaints including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to

Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

Book Running Lead Managers

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India
Telephone: +91 22 6630 3030
Email: doms.ipo@jmfl.com
Website: www.jmfl.com
Investor grievance E-mail: grievance.ibd@jmfl.com
Contact person: Prachee Dhuri
SEBI registration no.: INM000010361

BNP Paribas
1 North Avenue, Maker Maxity
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051
Maharashtra, India
Telephone: +91 22 3370 4000
Email: dl.doms.ipo@bnpparibas
Website: www.bnpparibas.co.in
Investor Grievance Email:
indiainvestors.care@asia.bnpparibas.com
Contact person: Piyush Ramchandani
SEBI registration no.: INM000011534

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Telephone: +91 22 6807 7100
Email: doms.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor grievance E-mail:
customercare@icicisecurities.com
Contact person: Namrata Ravasia/ Harsh Thakkar
SEBI registration no.: INM000011179

IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg, Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4646 4728
Email: doms.ipo@iiflcap.com
Website: www.iiflcap.com
Investor grievance E-mail: ig.ib@iiflcap.com
Contact person: Yogesh Malpani/ Pawan Kumar Jain
SEBI registration no.: INM000010940

Syndicate Members

JM Financial Services Limited
Ground Floor, 2, 3 & 4
Kamanwala Chambers
Sir P.M. Road, Fort
Mumbai 400 001
Maharashtra, India
Telephone: +91 22 6136 3400
Email: tn.kumar@jmfl.com/ sona.verghese@jmfl.com
Website: www.jmfinancialservices.in
Contact person: T N Kumar/ Sonal Verghese
SEBI registration no.: INZ000195834

Sharekhan Limited
The Ruby 18th Floor
29 Senapati Bapat Marg, Dadar (West)
Mumbai 400 028
Maharashtra, India
Telephone: +91 22 6750 2000
Email: pravin@sharekhan.com
Website: www.sharekhan.com
Contact person: Pravin Darji
Investor grievance Email: myaccount@sharekhan.com
SEBI registration no.: INB231073330/INB011073351

Statement of *inter-se* allocation of responsibilities among the Book Running Lead Managers

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

Sr. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, due diligence of our Company including its operations/management, legal etc. Drafting and design of the Draft Red Herring Prospectus, this Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	All BRLMs	JM Financial
2.	Positioning strategy, drafting of business section and industry section of the Draft and	All BRLMs	JM Financial

Sr. No.	Activity	Responsibility	Coordinator
	this Red Herring Prospectus and Prospectus		
3.	Drafting and approval of all statutory advertisement	All BRLMs	JM Financial
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	All BRLMs	BNPP
5.	Appointment of intermediaries - Registrar to the Offer and advertising agency, including coordination of all agreements to be entered into with such intermediaries	All BRLMs	JM Financial
6.	Appointment of all other intermediaries – Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	All BRLMs	IIFL Securities
7.	Preparation of road show presentation and frequently asked questions	All BRLMs	BNPP
8.	International institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • finalizing the list and division of investors for one-to-one meetings; and • finalizing road show and investor meeting schedule	All BRLMs	BNPP
9.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • finalizing the list and division of investors for one-to-one meetings; and • finalizing road show and investor meeting schedule	All BRLMs	JM Financial
10.	Retail marketing of the Offer, which will cover, *inter alia*, • finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • finalising centres for holding conferences for brokers, etc.; • formulating strategies for marketing to Non-Institutional Bidders • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material and finalising collection centres	All BRLMs	ICICI Securities
11.	Non-institutional marketing of the Offer, which will cover, *inter alia*, • formulating strategies for marketing to Non-Institutional Bidders; • finalising media, marketing and public relations strategy; • Finalising centres for holding conferences for brokers, etc.	All BRLMs	IIFL Securities
12.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	All BRLMs	ICICI Securities
13.	Managing the book and finalization of pricing in consultation with our Company	All BRLMs	ICICI Securities
14.	Post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Banker(s) to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with the Stock Exchanges and the SEBI for submission of all post-Offer reports including the initial and final post-Offer report to the SEBI, release of 1% security deposit post closure of the Offer	All BRLMs	IIFL Securities

Legal Counsel to our Company as to Indian Law

Khaitan & Co
10th & 13th Floors, Tower 1C
One World Centre
841, Senapati Bapat Marg
Mumbai 400 013
Maharashtra, India
Telephone: +91 22 6636 5000

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West),

Mumbai 400 083
Maharashtra, India
Telephone: +91 810 811 4949
E-mail: domsind.ipo@linkintime.co.in
Investor grievance E-mail: domsind.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Bankers to the Offer

Escrow Collection Bank, Refund Bank and Sponsor Bank

HDFC Bank Limited
FIG-OPS Department, Lodha – I
Think Techno Campus O-3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East), Mumbai 400 042
Maharashtra, India
Telephone: +91 22 30752927/28/2914
E-mail: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gavankar.hdfcbank.com, pravin.teli2@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Eric Bacha/ Sachin Gawade/ Pravin Teli/ Siddharth Jadhav/ Tushar Gavankar
SEBI Registration No.: L65920MH1994PLC080618

Public Offer Bank and Sponsor Bank

Axis Bank Limited
Axis House, Wadia International Center
P.B. Marg, Worli
Mumbai
Maharashtra, India
Telephone: 022 24253672
E-mail: vishal.lade@axisbank.com
Website: www.axisbank.com
Contact Person: Vishal Lade
SEBI Registration No.: INBI00000017

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms, is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks eligible as issuer banks and mobile applications enabled for United Payments Interface Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, read with other applicable UPI Circulars, UPI Bidders may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI Mechanism, is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at 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, as updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate Self-Certified Syndicate Bank Branches

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

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.Aspx? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/Rtadp.Aspx? and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/Rtadp.Aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

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

Our Company has received the written consent dated December 2, 2023 from B S R & Co. LLP, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated November 24, 2023 on our Restated Consolidated Financial Information; and (ii) their report dated December 2, 2023 on the statement of possible special tax benefits available to our Company, our Shareholders and our Material Subsidiary and included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated August 22, 2023 from M.I. Shah & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated August 22, 2023, from Prabhakar Prabhu P.K., Chartered Engineer, as a chartered engineer to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in his capacity as an Independent Chartered Engineer, in relation to the certificate dated August 22, 2023, certifying, *inter alia*, the details of the installed and production capacity and capacity utilisation of our Manufacturing Facilities. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated August 22, 2023, from Oriens Advisors LLP, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 in respect of the Project Report. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Statutory Auditor to our Company

B S R & Co. LLP, Chartered Accountants
14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai – 400063
E-mail: tkinger@bsraffiliates.com
Telephone: +91 22 6257 1000
Firm registration number: 101248W/W-100022
Peer review number: 014196

Changes in Auditors

There has been no change in our statutory auditors in the three years preceding the date of this Red Herring Prospectus.

Bankers to our Company

Axis Bank Limited
Urmi Char Rasta, Akota
Vadodara – 390 007
Gujarat, India
Telephone: 9879858699
Email: Jitendra.vala@axisbank.com
Website: www.axisbank.com
Contact person: Jitendra Vala

HDFC Bank Limited
Ground Floor, Hanis Landmark
Vapi- Daman Road, Chala, Vapi – 396 191
Gujarat, India
Telephone: 9016088835
Email: Desai.neel@hdfcbank.com
Website: www.hdfcbank.com
Contact person: Desai Neel

Grading of the Offer

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

Appraising Entity

No appraising entity has been appointed in relation to the Offer.

Monitoring Agency

As the size of the Fresh Issue exceeds ₹1,000.00 million, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency to monitor the utilisation of the Net Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations. The details of the Monitoring Agency are as follows. For details in relation to the proposed utilisation of the Net Proceeds, see the section titled "*Objects of the Offer*" on page 101.

CRISIL Ratings Limited
CRISIL House, Central Avenue
Hiranandani Business Park, Powai
Mumbai 400 076

Maharashtra, India
Telephone: +91 22 3342 3000(B)
E-mail: pratik.parekh1@crisil.com
Website: wwww.crisil.com/ratings
Contact Person: Krishnan Sitaraman
CIN: U67100MH2019PLC326247

Credit Rating

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

Debenture Trustee

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of the Draft Red Herring Prospectus

A copy of the Draft Red Herring Prospectus has been filed through SEBI's online intermediary portal at https://siportal.sebi.gov.in, in accordance with SEBI master circular bearing number SEBI/HO/CFD/ PoD-2/P /CIR/2023/00094 dated June 21, 2023, and as specified in Regulation 25(8) of the SEBI ICDR Regulations. It will also be filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India
Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051, Maharashtra, India

Filing of this Red Herring Prospectus and the Prospectus

A copy of this Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act has been filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC through the electronic portal at https://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

The book building process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of this Red Herring Prospectus and the Bid cum Application Forms and the revision forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of The Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Vapi and Selvase edition of Damanganga (a widely circulated Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date. For details, see the section titled "*Offer Procedure*" on page 433.

All Bidders other than Anchor Investors shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. In addition to this, the Retail Individual Bidders shall participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or by using the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis and allocation to Non-Institutional Bidders shall not be less than ₹0.20 million, subject to the availability of Equity Shares in Non-Institutional Bidders' category, and the remaining Equity Shares, if any, shall be Allotted on a proportionate basis. For further details, see the sections titled "*Terms of the Offer*" and "*Offer Procedure*" on pages 422 and 433, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each of the Selling Shareholders have, severally and not jointly, specifically confirmed that they will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to such Selling Shareholder, in relation to its portion of the Offered Shares. In this regard, our Company and each of the Selling Shareholders have appointed the Book Running Lead Managers to manage this Offer and procure Bids for this Offer. The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For further details on the method and procedure for Bidding, see the sections titled "*Offer Structure*" and "*Offer Procedure*" on pages 429 and 433 respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and each of the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

(in ₹ million)

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

The above-mentioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Bidders procured by them.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Red Herring Prospectus is set forth below:

(in ₹, except share data)

	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL**		
	70,000,000 Equity Shares of face value of ₹10 each	700,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	56,250,218 Equity Shares of face value of ₹10 each	562,502,180	-
C	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹12,000.00 million (1)(2)	[●]	[●]
	Comprising of		
	Fresh Issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹3,500.00 million (1)	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹8,500.00 million (2)	[●]	[●]
	Which includes:		
	Employee Reservation Portion of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹50.00 million (3)	[●]	[●]
	Net Offer of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹10 each*	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	₹301.72 million	
	After the Offer	[●]	

* *To be updated upon finalization of the Offer Price.*

(1) *The Offer has been authorised by a resolution of our Board dated July 20, 2023, and the Fresh Issue has been authorised by a special resolution of our Shareholders dated July 24, 2023. Further, our Board has taken on record the consents of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution of our Board dated August 17, 2023.*

(2) *The Equity Shares being offered by each of the Selling Shareholders are eligible to be offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholder has, severally and not jointly, consented to the sale of their respective portion of the Offered Shares in the Offer for Sale. For further details on the authorisations of the Selling Shareholders in relation to the Offered Shares, see the sections titled "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 70 and 406, respectively.*

(3) *Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹0.50 million (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any in the Employee Reservation Portion (after allocation up to ₹0.50 million), shall be added to the Net Offer. Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date. For further details, see the section titled "Offer Structure" on page 429.*

Changes in the authorised share capital of our Company

For further details of changes to our Company's authorised share capital in the last 10 years, see "*History and Certain Corporate Matters – Amendments to our Memorandum of Association in the last 10 years*" on page 237.

Notes to the Capital Structure

1. **Equity Share capital history of our Company**

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment of Equity Shares	Reason for or nature of allotment	Number of Equity Shares allotted	Cumulative number of Equity Shares	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Names of allottees
October 24, 2006	Initial subscription to the Memorandum of Association(1)	10,000	10,000	10	10	Cash	Allotment of 6,600 Equity Shares to Santosh Rasiklal Raveshia and 3,400 Equity Shares to Ritesh Shankarlal Mundhra.
November 30, 2007	Further issue	240,000	250,000	10	10	Cash(2)	Allotment of 48,400 Equity Shares to Santosh Rasiklal Raveshia, 55,000 Equity Shares to Chandni Vijay Somaiya, 55,000 Equity Shares to Hiren Ramniklal Parpani, 7,500 Equity Shares to Manju Shankarlal Mundhra, 15,000 Equity Shares to Rishi Mundra, 29,100 Equity Shares to Ritesh Shankarlal Mundhra, 10,000 Equity Shares to Sankarlal Mundra (HUF), and 20,000 Equity Shares to Sankarlal Mundra.
February 17, 2012	Further issue	56,749	306,749	10	5,242.38	Cash	Allotment of 56,749 Equity Shares to FILA.
February 22, 2012	Further issue	41,975	348,724	10	5,242.41	Cash	Allotment of 20,083 Equity Shares to Santosh Rasiklal Raveshia, 7,346 Equity Shares to Sanjay Mansukhlal Rajani, 7,346 Equity Shares to Ketan Mansukhlal Rajani, 3,900 Equity Shares to Chandni Vijay Somaiya, and 3,300 Equity Shares to Sheetal Hiren Parpani.
February 22, 2012	Further issue	9,528	358,252	10	5,242.44	Cash	Allotment of 9,528 Equity Shares to FILA.
October 31, 2015	Private placement	14,266	372,518	10	20,735.50	Cash	Allotment of 14,266 Equity Shares to FILA.
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	55,877,700	56,250,218	10	N.A.	N.A.	Allotment of 28,497,750 Equity Shares to FILA, 9,499,350 Equity Shares to Santosh Rasiklal Raveshia, 4,822,800 Equity Shares to Sanjay Mansukhlal Rajani, 4,822,800 Equity Shares to Ketan Mansukhlal Rajani, 2,235,000 Equity Shares to Chandni Vijay Somaiya, 2,235,000 Equity Shares to Sejal Santosh Raveshia, 2,235,000 Equity Shares to Sheetal Hiren Parpani, 510,000 Equity Shares to Pravina Mansukhlal Rajani, 510,000 Equity Shares to Ila Sanjay Rajani and 510,000 Equity Shares to Shilpa Ketan Rajani.

(1)Our Company was incorporated on October 24, 2006. The date of subscription to the Memorandum of Association was September 30, 2006 and the allotment of Equity Shares pursuant to such subscription was taken on record by our Board on October 31, 2006.

(2) Further issue pursuant to conversion of unsecured loans availed by our Company. Accordingly, share application money was adjusted against the outstanding unsecured loan amount.

2. ***Preference share capital***

Our Company does not have any outstanding preference shares as on the date of the filing of this Red Herring Prospectus.

3. ***Equity Shares issued through bonus or for consideration other than cash or out of revaluation reserves***

Our Company has not issued any Equity Shares out of its revaluation reserves since incorporation. Further, except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash or as a bonus issue since incorporation:

Date of allotment of Equity Shares	Reason for or nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Names of allottees	Benefits accrued to our Company
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	55,877,700	10	N.A.	N.A.	Allotment of 28,497,750 Equity Shares to FILA, 9,499,350 Equity Shares to Santosh Rasiklal Raveshia, 4,822,800 Equity Shares to Sanjay Mansukhlal Rajani, 4,822,800 Equity Shares to Ketan Mansukhlal Rajani, 2,235,000 Equity Shares to Chandni Vijay Somaiya, 2,235,000 Equity Shares to Sejal Santosh Raveshia, 2,235,000 Equity Shares to Sheetal Hiren Parpani, 510,000 Equity Shares to Pravina Mansukhlal Rajani, 510,000 Equity Shares to Ila Sanjay Rajani and 510,000 Equity Shares to Shilpa Ketan Rajani.	-

4. ***Issue of Equity Shares pursuant to schemes of arrangement***

Our Company has not allotted any Equity Shares in terms of any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

5. ***Issue of Equity Shares under employee stock option schemes***

As of the date of this Red Herring Prospectus, no options have been granted and no Equity Shares have been issued under the ESOP Plan 2023.

6. ***Issue of Equity Shares at a price lower than the Offer Price in the last one year***

Except as disclosed below, our Company has not issued any Equity Shares at a price which is lower than the Offer Price during a period of one year preceding the date of this Red Herring Prospectus.

Date of allotment of Equity Shares	Reason for or nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Names of allottees	Whether the Allottees are Promoters or members of the Promoter Group
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for every one	55,877,700	10	N.A.	N.A.	FILA (28,497,750 Equity Shares)	Promoter
						Santosh Rasiklal Raveshia (9,499,350 Equity Shares)	Promoter
						Sanjay Mansukhlal Rajani (4,822,800 Equity Shares)	Promoter

Date of allotment of Equity Shares	Reason for or nature of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Names of allottees	Whether the Allottees are Promoters or members of the Promoter Group
	existing Equity Share held					Ketan Mansukhlal Rajani (4,822,800 Equity Shares)	Promoter
						Chandni Vijay Somaiya (2,235,000 Equity Shares)	Promoter
						Sejal Santosh Raveshia (2,235,000 Equity Shares)	Promoter Group
						Sheetal Hiren Parpani (2,235,000 Equity Shares)	Promoter Group
						Pravina Mansukhlal Rajani (510,000 Equity Shares)	Promoter Group
						Ila Sanjay Rajani (510,000 Equity Shares)	Promoter Group
						Shilpa Ketan Rajani (510,000 Equity Shares)	Promoter Group

7. ***Shareholding pattern of our Company***

The table below presents the shareholding pattern of our Company as on the date of this Red Herring Prospectus.

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number 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)				Number of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: others	Total								
(A)	Promoter and Promoter Group	10	56,250,218	-	-	56,250,218	100.00	56,250,218	-	56,250,218	100.00	-	100.00	-	-	-	-	56,250,218
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**10**	**56,250,218**	**-**	**-**	**56,250,218**	**100.00**	**56,250,218**	**-**	**56,250,218**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**56,250,218**

8. **Details of shareholding of major Shareholders of our Company**

As on the date of this Red Herring Prospectus, our Company has a total of 10 Shareholders.

(a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis, as on the date of this Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the pre-Offer Equity Share capital
1.	FILA	28,687,735	51.00
2.	Santosh Rasiklal Raveshia	9,562,679	17.00
3.	Sanjay Mansukhlal Rajani	4,854,952	8.63
4.	Ketan Mansukhlal Rajani	4,854,952	8.63
5.	Chandni Vijay Somaiya	2,249,900	4.00
6.	Sejal Santosh Raveshia	2,249,900	4.00
7.	Sheetal Hiren Parpani	2,249,900	4.00
Total		**54,710,018**	**97.26**

(b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis, ten days prior to the date of this Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the pre-Offer Equity Share capital
1.	FILA	28,687,735	51.00
2.	Santosh Rasiklal Raveshia	9,562,679	17.00
3.	Sanjay Mansukhlal Rajani	4,854,952	8.63
4.	Ketan Mansukhlal Rajani	4,854,952	8.63
5.	Chandni Vijay Somaiya	2,249,900	4.00
6.	Sejal Santosh Raveshia	2,249,900	4.00
7.	Sheetal Hiren Parpani	2,249,900	4.00
Total		**54,710,018**	**97.26**

(c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis, one year prior to the date of this Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the pre-Offer Equity Share capital
1.	FILA	189,985	51.00
2.	Santosh Rasiklal Raveshia	63,329	17.00
3.	Sanjay Mansukhlal Rajani	32,152	8.63
4.	Ketan Mansukhlal Rajani	32,152	8.63
5.	Chandni Vijay Somaiya	14,900	4.00
6.	Sejal Santosh Raveshia	14,900	4.00
7.	Sheetal Hiren Parpani	14,900	4.00
Total		**362,318**	**97.26**

(d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis, two years prior to the date of this Red Herring Prospectus are set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of the pre-Offer Equity Share capital
1.	FILA	189,985	51.00
2.	Santosh Rasiklal Raveshia	63,329	17.00
3.	Sanjay Mansukhlal Rajani	32,152	8.63
4.	Ketan Mansukhlal Rajani	32,152	8.63
5.	Chandni Vijay Somaiya	14,900	4.00
6.	Sejal Santosh Raveshia	14,900	4.00
7.	Sheetal Hiren Parpani	14,900	4.00
Total		**362,318**	**97.26**

9. Except for the (i) Equity Shares or employee stock options that may be allotted or granted pursuant to the ESOP Plan 2023, and (ii) the Allotment of Equity Shares pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as consideration for acquisitions or participation in such joint ventures or other arrangements.

10. Except for the (i) Equity Shares or employee stock options that may be allotted or granted pursuant to the ESOP Plan 2023, and (ii) the Allotment of Equity Shares pursuant to the Fresh Issue, there will be no further issuance of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

11. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Red Herring Prospectus.

12. **Employee Stock Option Plan**

Our Company, pursuant to the resolutions passed by our Board on July 20, 2023 and by our Shareholders on July 24, 2023, approved the ESOP Plan 2023 for issue of employee stock options to eligible employees, which may result in issue of not more than 1,125,000 Equity Shares. The primary objective of the ESOP Plan 2023 is to reward the employees of our Company for their association, dedication and contribution to the goals of our Company.

The ESOP Plan 2023 is in compliance with the SEBI SBEB Regulations. As of the date of this Red Herring Prospectus, no options have been granted and no Equity Shares have been issued under the ESOP Plan 2023. Our Company may grant options in accordance with the terms of the ESOP Plan 2023.

13. **Details of shareholding of our Promoters and members of the Promoter Group in our Company**

(i) ***Equity shareholding of the Promoters***

As on the date of this Red Herring Prospectus, our Promoters collectively hold 50,210,218 Equity Shares, equivalent to 89.26% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

Sr. No.	Name of our Promoters	Pre-Offer Equity Share capital		Post-Offer Equity Share capital*	
		No. of Equity Shares	% of total shareholding (%)	No. of Equity Shares	% of total shareholding
1.	FILA	28,687,735	51.00	[●]	[●]
2.	Santosh Rasiklal Raveshia	9,562,679	17.00	[●]	[●]
3.	Sanjay Mansukhlal Rajani	4,854,952	8.63	[●]	[●]
4.	Ketan Mansukhlal Rajani	4,854,952	8.63	[●]	[●]
5.	Chandni Vijay Somaiya	2,249,900	4.00	[●]	[●]
Total		**50,210,218**	**89.26**	**[●]**	**[●]**

**Subject to finalisation of Basis of Allotment.*

(ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Red Herring Prospectus.

(iii) ***Build-up of the Promoters' shareholding in our Company***

The build-up of the equity shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

Date of allotment / transfer / transmission	Nature of issue/ transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / transfer price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%) *
FILA							
February 17, 2012	Further issue	56,749	Cash	10	5,242.38	0.10	[●]
February 22, 2012	Further issue	9,528	Cash	10	5,242.44	0.02	[●]
October 31, 2015	Transfer of 42,754 Equity Shares from Santosh Rasiklal Raveshia, 14,500 Equity Shares from Chandni Vijay Somaiya, 10,600 Equity Shares from Sejal Santosh Raveshia, 13,900 Equity Shares from Sheetal Hiren Parpani, 11,594 Equity Shares from Sanjay Mansukhlal Rajani, 1,500 Equity Shares from Pravina Mansukhlal Rajani, 1,500 Equity Shares from Ila Sanjay Rajani, 11,594 Equity Shares from Ketan Mansukhlal Rajani, and 1,500 Equity Shares from Shilpa Ketan Rajani	109,442	Cash	10	20,735.50	0.19	[●]
October 31, 2015	Further issue	14,266	Cash	10	20,735.50	0.03	[●]
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for	28,497,750	N.A.	10	N.A.	50.66	[●]

Date of allotment / transfer / transmission	Nature of issue/ transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / transfer price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%) *
	every one existing Equity Share held						
Sub-total (A)		**28,687,735**				**51.00**	**[●]**
Santosh Rasiklal Raveshia							
October 24, 2006	Initial subscription to the Memorandum of Association	6,600	Cash	10	10	0.01	[●]
November 30, 2007	Further issue	48,400	Cash	10	10	0.09	[●]
May 6, 2008	Transfer of 7,200 Equity Shares from Manju Shankarlal Mundhra, 1,134 Equity Shares from Ritesh Shankarlal Mundhra and 20,000 Equity Shares from Shankarlal Mundhra	28,334	Cash	10	10	0.05	[●]
October 5, 2009	Transfer from Chandni Vijay Somaiya	2,666	Cash	10	10	0.00	[●]
February 22, 2012	Further issue	20,083	Cash	10	5,242.41	0.04	[●]
October 31, 2015	Transfer to FILA	(42,754)	Cash	10	20,735.50	(0.08)	[●]
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	9,499,350	N.A.	10	N.A.	16.89	[●]
Sub-total (B)		**9,562,679**				**17.00**	**[●]**
Sanjay Mansukhlal Rajani							
October 5, 2009	Transfer from Hiren Ramniklal Parpani	19,150	Cash	10	10	0.03	[●]
August 31, 2011	Transmission from Late Mansukhlal Rajani	17,250	N.A.	10	N.A.	0.03	[●]
February 22, 2012	Further issue	7,346	Cash	10	5,242.41	0.01	[●]
October 31, 2015	Transfer to FILA	(11,594)	Cash	10	20,735.50	(0.02)	[●]

Date of allotment / transfer / transmission	Nature of issue/ transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / transfer price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%) *
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	4,822,800	N.A.	10	N.A.	8.57	[●]
Sub-total (C)		**4,854,952**				**8.63**	**[●]**
Ketan Mansukhlal Rajani							
October 5, 2009	Transfer from Hiren Ramniklal Parpani	19,150	Cash	10	10	0.03	[●]
August 31, 2011	Transmission from Late Mansukhlal Rajani	17,250	N.A.	10	N.A.	0.03	[●]
February 22, 2012	Further issue	7,346	Cash	10	5,242.41	0.01	[●]
October 31, 2015	Transfer to FILA	(11,594)	Cash	10	20,735.50	(0.02)	[●]
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	4,822,800	N.A.	10	N.A.	8.57	[●]
Sub-total (D)		**4,854,952**				**8.63**	**[●]**
Chandni Vijay Somaiya							
November 30, 2007	Further issue	55,000	Cash	10	10	0.10	[●]
May 6, 2008	Transfer of 10,000 Equity Shares from Shankarlal Mundhra (HUF), 3,033 Equity Shares from Ritesh Shankarlal Mundhra, 15,000 Equity Shares from Rishi Mundra, 300 Equity Shares from Manju Shankarlal Mundhra	28,333	Cash	10	10	0.05	[●]
October 5, 2009	Transfer of 34,500 Equity Shares to Mansukhlal	(57,833)	Cash	10	10	(0.10)	[●]

Date of allotment / transfer / transmission	Nature of issue/ transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price / transfer price per Equity Share (₹)	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%) *
	J. Rajani, 2,666 Equity Shares to Santosh Rasiklal Raveshia, and 20,667 Equity Shares to Sejal Santosh Raveshia						
February 22, 2012	Further issue	3,900	Cash	10	5,242.41	0.01	[●]
October 31, 2015	Transfer of 14,500 Equity Shares to FILA	(14,500)	Cash	10	20,735.50	(0.03)	[●]
July 6, 2023	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	2,235,000	N.A.	10	N.A.	3.97	[●]
Sub-total (E)		**2,249,900**				**4.00**	**[●]**
Grand Total (A)+(B)+(C)+(D)+(E)		**50,210,218**				**89.26**	**[●]**

**Subject to finalisation of Basis of Allotment.*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares. Further, none of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Red Herring Prospectus.

(iv) ***Equity shareholding of the members of the Promoter Group and the directors of our Corporate Promoter***

As on the date of this Red Herring Prospectus, the members of our Promoter Group (other than our Promoters) hold 6,040,000 Equity Shares, equivalent to 10.74% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below. The directors of our Corporate Promoter do not hold any Equity Shares in our Company.

Sr. No.	Name of the Shareholder	Pre-Offer Equity Share capital		Post-Offer Equity Share capital*	
		No. of Equity Shares	% of total shareholding	No. of Equity Shares	% of total shareholding
Promoter Group					
1.	Sejal Santosh Raveshia	2,249,900	4.00	[●]	[●]
2.	Sheetal Hiren Parpani	2,249,900	4.00	[●]	[●]
3.	Pravina Mansukhlal Rajani	513,400	0.91	[●]	[●]
4.	Ila Sanjay Rajani	513,400	0.91	[●]	[●]
5.	Shilpa Ketan Rajani	513,400	0.91	[●]	[●]

(v) None of the Promoters, members of the Promoter Group, the Directors, nor any of their respective relatives or the directors of our Corporate Promoter have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus.

(vi) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors, or their respective relatives or the directors of our Corporate Promoter have financed the purchase by any other person of securities of our Company during a period of three years immediately preceding the date of this Red Herring Prospectus.

14. **Details of lock-in of Equity Shares**

(i) *Details of Promoters' contribution and lock-in*

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), as the majority of the Net Proceeds are proposed to be utilized for capital expenditure, and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

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

Name of the Promoter	Date of allotment of the Equity Shares / transfer of Equity Shares and when made fully paid-up	Nature of transaction	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post-Offer paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total						**[●]**	**[●]**	**[●]**

**To be included in the Prospectus to be filed with the RoC.*

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

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(a) the Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the immediately preceding three years (a) for consideration other than cash involving revaluation of assets or capitalization of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealized profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(b) the Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(c) our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

(d) the Equity Shares forming part of the Promoter's Contribution are not subject to any pledge or any encumbrances.

(ii) ***Details of other Equity Shares locked-in for six months***

In addition to the Promoters' Contribution and any Equity Shares held by our Promoters in excess of the Promoters' Contribution which shall be locked in as above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, except for (i) the Offered Shares successfully sold and transferred pursuant to the Offer for Sale; (ii) any Equity Shares held by the eligible employees (whether currently employees or not) of our Company which have been allotted to them under an employee stock option scheme, prior to the Offer, except as required under applicable law, (iii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

(iii) ***Other requirements in respect of lock-in***

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

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

(a) with respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) with respect to the Equity Shares locked-in as Promoters' Contribution for three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

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

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI Takeover Regulations.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the SEBI Takeover Regulations.

15. **Lock-in of Equity Shares Allotted to Anchor Investors**

One half of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, and while the remaining half of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

16. Our Company, the Directors and the BRLMs have not entered into buyback arrangements and/or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

17. As on the date of this Red Herring Prospectus, the BRLMs and their respective associates (as defined in the SEBI Merchant Bankers Regulations do not hold any Equity Shares of our Company.

18. Except as disclosed below, none of our Directors or our Key Managerial Personnel or our Senior

Management Personnel hold any Equity Shares in our Company. For further details, see "*Our Management – Shareholding of Directors in our Company*" and "*Our Management- Shareholding of our Key Managerial Personnel and Senior Management Personnel*" on pages 257 and 270 respectively.

Sr. No.	Name	No. of Equity Shares	Percentage of the pre-Offer paid up Equity Share capital (%)
1.	Santosh Rasiklal Raveshia	9,562,679	17.00
2.	Sanjay Mansukhlal Rajani	4,854,952	8.63
3.	Ketan Mansukhlal Rajani	4,854,952	8.63
4.	Chandni Vijay Somaiya	2,249,900	4.00
Total		**21,522,483**	**38.26**

19. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

20. Except to the extent of sale of the Offered Shares in the Offer for Sale by the Selling Shareholders, none of our Promoters or members of our Promoter Group will participate in the Offer.

21. The BRLMs and persons related to the BRLMs, or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.

22. Other than the Selling Shareholders who will receive proceeds to the extent of their participation as Selling Shareholders in the Offer for Sale, none of the other Promoters and members of the Promoter Group will receive any proceeds from the Offer.

23. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

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

Up to [●] Equity Shares aggregating up to ₹50.00 million (which shall not exceed 5% of the post-Offer equity share capital of our Company) shall be reserved for allocation to Eligible Employees under the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price. Only Eligible Employees would be eligible to apply in the Offer under the Employee Reservation Portion. Bids by Eligible Employees can also be made in the Net Offer and such Bids shall not be treated as multiple Bids. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹0.20 million (net of Employee Discount). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹0.20 million (net of Employee Discount) up to ₹0.50 million (net of Employee Discount). Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date.

SECTION IV – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue by our Company and the Offer for Sale by the Selling Shareholders.

The Offer for Sale

Each of the Selling Shareholders will be entitled to the respective portion of the proceeds of the Offer for Sale, after deducting their portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. The table below sets forth certain details in relation to the Selling Shareholders and their respective Offered Shares. For further details of the Offer for Sale, see "*The Offer*" on page 70.

Sr. No.	Name of Selling Shareholder	Number of Offered Shares
1.	F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A.	Up to [●] Equity Shares aggregating up to ₹8,000.00 million
2.	Sanjay Mansukhlal Rajani	Up to [●] Equity Shares aggregating up to ₹250.00 million
3.	Ketan Mansukhlal Rajani	Up to [●] Equity Shares aggregating up to ₹250.00 million
Total		**Up to [●] Equity Shares aggregating up to ₹8,500.00 million**

Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, or at the time the Offer is withdrawn or not completed for any reason whatsoever, each Selling Shareholder shall jointly and severally reimburse our Company for any expenses in relation to the Offer, other than the listing fees, paid by our Company on behalf of the respective Selling Shareholder, on a pro rata basis in proportion to the extent of the amount proposed to be raised by the Company through the Fresh Issue and the amount corresponding to the extent of participation of each Selling Shareholder in the Offer for Sale.

The Objects of the Fresh Issue

The net proceeds of the Fresh Issue, i.e., gross proceeds of the Fresh Issue less the offer expenses apportioned to our Company ("**Net Proceeds**") are proposed to be utilised in the following manner:

1. Proposing to part finance the cost of establishing a new manufacturing facility to expand its production capabilities for a wide range of writing instruments, water colour pens, markers and highlighters, at Survey Nos: 153, 154, 155/2, 159, 160, 161, 164, 165, 166, 168, 170, 172, 175, 180, 181, 370 and 391/P1, Village: Dehri, Tal: Umbergaon, District Valsad, 396170, Gujarat, India ("**Proposed Project**"); and

2. General corporate purposes.

(collectively referred to herein as "**Objects**")

In addition to the aforementioned Objects, our Company will receive the benefits of listing of its Equity Shares on the Stock Exchanges.

The main objects and the other objects of the MoA enables our Company (i) to undertake our existing business activities; (ii) to undertake activities for which funds are being raised by us through the Fresh Issue; and (iii) the purposes for which the funds earmarked towards general corporate purposes shall be used.

Net Proceeds

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

Particulars	Estimated amount (in ₹ million)
Gross proceeds from the Fresh Issue#	3,500.00
(less) Offer related expenses in relation to Fresh Issue**#	[●]
Net Proceeds	**[●]**

#Subject to full subscription of the Fresh Issue component

***For further details, see "– Offer related expenses" on page 107.*

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

Deployment of funds and schedule of implementation

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

(in ₹ million)

Particulars	Total estimated amount/ expenditure (A)	Total amount spent on the Objects as of October 31, 2023 (1) (B)	Balance amount to be incurred (C=A-B)	Estimated utilisation from Net Proceeds (2)	Year wise break-up of the expenditure		
					Fiscal 2024	Fiscal 2025	Fiscal 2026
Part financing of Proposed Project	4,535.66	735.66	3,800.00	2,800.00	256.00	2,061.79	1,482.21
General corporate purposes(3)	[●]	-	[●]	[●]	[●]	[●]	[●]
Total	**[●]**	**735.66**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**

(1) *As certified by B S R & Co. LLP, Chartered Accountants, our Statutory Auditors, by way of their certificate dated December 2, 2023.*
(2) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*
(3) *The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Schedule of implementation

The schedule of implementation of the Proposed Project is set forth below:

Particulars	Estimated date of commencement	Estimated date of completion
Acquisition of land	-	Completed
Conversion on land into industrial use	-	Completed
Building Construction & Civil Work	January 2024	December 2025
Installation of Plant & Machineries	October 2024	March 2026
Utilities: Substation	January 2024	December 2025
Commercial Production	March 2026	-

Our Company shall not recoup any cost spent towards the Proposed Project from the Net Proceeds.

In the event the Net Proceeds are not completely utilised for the Objects during the respective periods mentioned in "- *Schedule of implementation"* on page 102, due to factors such as (i) economic and business conditions; (ii) delay in procuring and operationalizing assets or necessary licenses and approvals; (iii) timely completion of the Offer; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, capital expenditure towards the stated Objects may also be accelerated, due to early completion of various activities mentioned in this section.

The deployment of funds indicated above is based on management estimates, current circumstances of our business, valid quotations received from third parties, certificates from independent project consultants, other commercial and technical factors, prevailing market conditions, which are subject to change. Further, the deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy and other external factors, which may not be within the control of our management. This may entail changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. See "*Risk Factors*" on page 32.

Subject to applicable laws, in the event of any increase in the actual requirement of funds earmarked for the purposes set forth above, such additional fund requirement will be met by way of any means available to us, including from internal accruals and seeking additional debt from existing and/or future lenders.

Means of finance

Apart from the amounts already incurred towards the Objects, the balance amount to be spent on the Objects shall be financed from the Net Proceeds and existing identifiable internal accruals. Therefore, the requirements under

Regulation 7(1)(e) of the SEBI ICDR Regulations to make firm arrangements through verifiable means of the stated means of finance are not applicable to this Offer.

Details of objects of the Offer

Part-financing the cost of establishing the Proposed Project

We anticipate significant growth in the industry segments in which we operate. As of Fiscal 2023, the Indian domestic writing instrument market is ₹13,350 crore by value and is expected to grow at a CAGR of ~ 16% till Fiscal 2028 to reach a market value of ₹27,750 crore. Further, as of Fiscal 2023, the Indian domestic paper stationery market is ₹16,200 crore by value and is expected to grow at a CAGR of ~12% till Fiscal 2028 to reach a market value of ₹28,700 crore (*Source: Technopak Report)*. In line with such growth, our existing Manufacturing Facilities is close to demonstrating optimal capacity utilisation. For further details, see "*Our Business – Production capacity and capacity utilisation"* on page 224. Due to such reasons, we propose to establish the Proposed Project and part finance it from the Net Proceeds.

In order to establish the Proposed Project and accommodate the future growth requirements, we have acquired land admeasuring approximately 44 acres adjacent to our existing Manufacturing Facilities at Umbergaon, Gujarat pursuant to sale deeds between: (i) Hemaben Mohanbhai Mistry, Shailaben Mohanbhai Mistry and the Company dated April 21, 2023, (ii) Jeta Atul Mistry and the Company dated January 19, 2023, (iii) Rajesh Mohanlal Mistry and the Company dated January 19, 2023, (iv) Rushi Rajesh Mistry and the Company dated January 19, 2023, (v) Rushi Rajesh Mistry and the Company dated January 19, 2023, and (vi) Sushilaben Mohanlal Mistry and the Company dated January 20, 2023. Therefore, no component of the Net Proceeds is proposed to be utilised for land acquisition. From the Net Proceeds, we would part finance (i) building construction and civil work; (ii) purchase of plant and machinery; (iii) Utilities: sub-station; and (iv) miscellaneous and contingencies.

The land on which we propose to establish the Proposed Project: (a) is owned by our Company and is registered in its name, (b) our Company has a clear title to the land, (c) our Company has received all approvals in relation to use of the land for the Proposed Project. However, there are certain approvals that our Company requires at various stages in order to complete different components of the Proposed Project. For details of such approvals and the stages at which such approvals are required, see "-*Government Approvals"* on page 106.

Total estimated cost of the Proposed Project

The total estimated cost to establish the Proposed Project is ₹4,535.66 million, as estimated by our management, which has been certified by Oriens Advisors LLP, an independent advisory firm of engineers, pursuant to a report dated November 25, 2023 ("**Project Report**"). Of this cost, ₹2,800 million shall be utilised from the Net Proceeds.

The detailed break-down of estimated cost of the Proposed Project, is set forth below:

(in ₹ million)

Particulars	Total estimated cost(1)	Amount deployed as of October 31, 2023(2)	Balance amount proposed to be funded
Land(3)	735.66	735.66	Nil
Building construction and civil work	955.80	Nil	955.80
Purchase of plant and machinery	2,550.81	Nil	2,550.81
Utilities: sub-station	179.39	Nil	179.39
Miscellaneous and contingencies	114.00	Nil	114.00
Total	**4,535.66**	**735.66**	**3,800.00**
Amount proposed to be funded from the Net Proceeds			**2,800.00**
Balance amount proposed to be funded from internal accruals			**1,000.00**

(1) Total estimated cost as per the Project Report. Such costs also include applicable taxes and duties. Some quotations do not include a freight and insurance, which are estimated to be negligible and shall be financed from the internal accruals.

(2) As certified by B S R & Co. LLP, Chartered Accountants, our Statutory Auditors, by way of their certificate dated December 2, 2023.

(3) This cost also includes stamp duty, registration fees, charges for the conversion of land from agricultural to non- agricultural, land development cost, etc.

Details of cost of the Proposed Project

Since land has already been acquired by our Company, the following analysis does not factor in cost of land acquisition.

A detailed break-up of the estimated cost (except cost of land acquisition) of establishing the Proposed Project is set forth below:

I. Building construction and civil work

Our Company plans to construct four reinforced cement concrete buildings totalling to an area of approximately 600,000 square feet as a part of the Proposed Project. Building and civil works for the proposed expansion include site development and construction and engineering related work including building the foundation, structure, roof, doors and windows, drainage, and sewerage system. The details of costing of such building construction and civil work is set forth below:

Sr. No.	Particulars	Estimated cost (in ₹ million)(1)	Name of supplier/ vendor	Date of purchase order/ quotation
1.	Quotation for civil work for plinth level to third slab level and terrace level. This quotation is for a lump sum turnkey contract for building and civil works and for the construction of reinforced cement concrete buildings, aggregating to a total area of approximately 300,000 square feet.	477.90	Bajj Construction	Quotation dated July 27, 2023, with a validity up to March 31, 2024
2.	Quotation for civil work for ground floor and two floors. This quotation is for a lump sum turnkey contract for building and civil works and for the construction of reinforced cement concrete buildings, aggregating to a total area of approximately 300,000 square feet.	477.90	Sheetal Construction	Quotation dated June 24, 2023, with a validity up to March 31, 2024
	Total	**955.80**		

[1]*Cost is inclusive of taxes and duties. No freight and insurance is applicable on civil works.*

II. Purchase of plant and machinery

Our Company has identified the plant and machinery it intends to purchase and install at the Proposed Project, which include moulding machines, central conveyor systems, moulds, assembly machines and other items. In addition, it also includes various equipment, auxiliaries, instrumentation etc. The details of costing of such plant and machinery are set forth below:

Sr. No.	Particulars	Estimated cost (in ₹ million)(1)(2)	Name of supplier/ vendor	Date of purchase order/ quotation
	Injection moulding machines			
1.	150 units of model Servo TD 180/500 – IU 900 - IU	469.05#	Shibaura Machine India Private Limited (formerly Toshiba Machine (Chennai) Pvt. Ltd.)	Quotation dated June 21, 2023, with validity up to March 31, 2024
2.	100 units of model N - Series 150	319.19#	Milacron India Private Limited	Quotation dated June 22, 2023, with validity up to March 31, 2024
	Assembly machines			
3.	133 assembly machines, including 45 refill assembly machines	692.57#	ORT Automation Equipment Co Ltd., China	Quotation dated June 27, 2023, with validity up to December 31, 2024

Sr. No.	Particulars	Estimated cost (in ₹ million)(1)(2)	Name of supplier/ vendor	Date of purchase order/ quotation
	Moulds			
4.	381 mould sets across product categories	578.85#	Zhejiang HTM Technology Co Ltd, China	Quotation dated June 25, 2023, with validity up to December 31, 2024
	Central conveying system			
5.	Quotation for mobile surge bins with accessories, volumetric dosing mixing system, central conveying system, industry 4.0 and installation charges. This quotation is for central conveying system covering 100 moulding machines	46.83#	Prasad Koch Technik Pvt. Ltd.	Quotation dated June 21, 2023, with validity up to March 31, 2024
6.	Central conveying system with fixed piping and accessories for 150 moulding machines	146.37#	Nu-Vu Conair Pvt. Ltd.	Quotation dated June 30, 2023, with validity up to March 31, 2024
	Heat transfer machines			
7.	141 automatic orientation heat transfer machines	144.38#	ORT Automation Equipment Co Ltd., China	Quotation dated June 27, 2023, with validity up to December 31, 2024
	Granulators			
8.	70 units of granulator model BM 341	22.69#	Prasad Machinery Pvt. Ltd.	Quotation dated June 23, 2023, with validity up to March 31, 2024
9.	70 units of rapid series granulator model 150-35 delta tech	40.57	Prasad Machinery Pvt. Ltd.	Quotation dated June 23, 2023, with validity up to March 31, 2024
10.	100 units of special purpose low speed granulators	27.61	Shini Plastics Technologies India Pvt. Ltd.	Quotation dated July 1, 2023, with validity up to March 31, 2024
	Other ancillary machines and equipment			
11.	150 units of automatic sprue picker robotic arm model: DH – P68 with Euromap 12	19.47	Devanshi Electronics Pvt. Ltd.	Quotation dated June 21, 2023, with validity up to March 31, 2024
12.	100 units of sprue picker (P650)	12.98	Helios Automation	Quotation dated June 21, 2023, with validity up to March 31, 2024
13.	5 units x 100 TR capacity water chillers, 1 unit x 0.10 litre of water storage tank with 5 units of 20HP process pumps	13.96#	Frigidaire Refrigeration	Quotation dated June 23, 2023, with validity up to March 31, 2024
14.	Piping lines – KPT green pipe / fitting / PPRC pipe and fittings for 250 moulding machines	10.99#	Mangalam Skilled Works	Quotation dated June 30, 2023, with validity up to March 31, 2024
15.	10 automatic hot stamping machines	5.30	ORT Automation Equipment Co Ltd., China	Quotation dated June 27, 2023, with validity up to December 31, 2024
	Total	**2,550.81**		

Note:
#Amount has been rounded off.
1Cost is inclusive of taxes and duties. In certain cases, the quotations do not include applicable taxes and duties which our Company and Project Report Consultant have calculated and included in the total cost at applicable rates. The cost does not include freight and insurance cost, which is estimated and is negligible as compared to the overall cost, which will be borne by our Company.
2For all overseas quotations exchange rate is calculated at 1 USD = ₹83.05.

III. Utilities: sub-station

Our Company intends to install a 66/11 KV sub-station, taking into consideration the power requirements of the Proposed Project as well as for any future expansion. The details of costing of such utilities: sub-station are set forth below:

Particulars	Estimated cost (in ₹ million)(1)	Name of supplier/ vendor	Date of purchase order/ quotation
Quotation is for 66/11 KV sub-station and 66 KV underground cable line from 66 KV sub-station. The quotation is for a lump sum turnkey basis contract	179.39	M/s Jyona Power	Quotation dated June 21, 2023, with validity up to April 2024

[1]*Cost is inclusive of taxes, freight, and insurance, as applicable.*

IV. Miscellaneous and contingencies

Our Company has budgeted ₹114.00 million as miscellaneous and contingency expenses. This cost is based on management estimates and includes cost towards internal electrifications, water requirements, storage racks, lifts, material handling equipment, etc. which shall be procured based upon future requirements.

Other confirmations

All quotations mentioned in this section are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the equipment at the same costs. We are yet to place orders for any of the components of the Proposed Project. Further, for risk arising out of the Objects, see "*Risk Factors – Internal Risk Factors – Risk related to the Objects of the Offer – 13. Risks associated with the Proposed Projects - We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. This includes part financing the cost of establishing the Proposed Project which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. Further, the objects of the Offer includes orders for plant and machinery which have not yet been placed*" on page 40. There can be no assurance that we would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

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

None of the vendors from whom we have procured quotations are related or connected to our Company, Promoters, Subsidiaries, Directors, Key Managerial Personnel, Senior Management and Group Companies.

Our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel and Group Companies do not have any interest in the proposed construction of building civil works.

Government Approvals

For the Proposed Project, our Company has taken and will take certain approvals, the details of which are set forth below:

Nature of Approval	Authorities	Status
Title search report	Lawyer	Completed
Conversion of land for industrial use	Collector and District Magistrate, Valsad	Completed
Building plan and layout approval	Town Planning Department. District Valsad and Gram Panchayat, Village Dehri	To be obtained at the appropriate stage

Nature of Approval	Authorities	Status
GST registration	Goods and Service Tax Department	To be obtained at the appropriate stage
Sanction of additional electrical load	Dakshin Gujarat Vij Company Limited	To be obtained at the appropriate stage
Pollution certificates	Gujarat Pollution Control Board	To be obtained at the appropriate stage*
Approval under the Factories Act, 1948	Directorate Industrial Safety & Health, Gujarat State	To be obtained at the appropriate stage

**Our Company has obtained the consent to establish from the Gujarat Pollution Control Board and shall obtain the consent to operate at the appropriate stage.*

General corporate purposes

Our Company intends to deploy any balance left out of the Net Proceeds towards general corporate, as approved by our management from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any.

Such general corporate purposes may include, but are not restricted to, the following:

(i) strategic initiatives;

(ii) funding growth opportunities;

(iii) strengthening marketing capabilities;

(iv) meeting ongoing general corporate contingencies;

(v) meeting fund requirements and other working capital requirements of our Company, in the ordinary course of its business;

(vi) meeting expenses incurred in the ordinary course of business; and

(vii) any other purpose, as may be approved by the Board, subject to compliance with applicable law.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. The Offer related expenses primarily include fees payable to the BRLMs and legal counsel, fees payable to the Statutory Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs and CDPs, SCSBs' fees, Sponsor Banks' fees, the Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (i) listing fees and expenses for any corporate advertisements consistent with past practice of our Company (not including expenses relating to marketing and advertisements undertaken in connection with the Offer), which shall be borne solely by our Company; and (ii) the applicable tax payable on transfer of Offered Shares which shall be borne by the respective Selling Shareholders, our Company and each of the Selling Shareholders shall share the costs and expenses (including all applicable taxes) directly attributable to the Offer (including fees and expenses of the BRLMs, legal counsel and other intermediaries, advertising and marketing expenses, printing, underwriting commission, procurement commission (if any), brokerage and selling commission and payment of fees and charges to various regulators in relation to the Offer) in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale. Our Company shall advance the cost and expenses of the Offer and our Company will be reimbursed, severally and not jointly, by each of the Selling Shareholders for their respective proportion of such costs and expenses. Such payments, expenses and taxes, to be borne by the Selling Shareholders will be deducted from the proceeds from the sale of Offered Shares, in accordance with applicable law, in proportion to its respective Offered Shares. Further, in the event the Offer is withdrawn or the requisite approvals required for the Offer are not received, the Company and each of the Selling Shareholders shall, in accordance with the manner stated above, share the costs and expenses (including all applicable taxes) directly attributable to the Offer, in proportion to the extent of the amount proposed to be raised by the Company through the Fresh Issue and the amount corresponding to the extent of participation of each Selling Shareholder in the Offer for Sale.

The estimated Offer expenses are as follows:

Sr. No.	Activity	Estimated amount* (in ₹ million)(1)(2)	As a % of total estimated Offer Expenses[1]	As a % of Offer Size[1]
1.	BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission	[●]	[●]	[●]
2.	Selling commission/processing fee for SCSBs, Sponsor Banks and fee payable to the Sponsor Banks for Bids made by RIBs (3)(4)(5)	[●]	[●]	[●]
3.	Brokerage and selling commission and bidding/uploading charges for members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs (6)	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
5.	Fees payable to other parties, including but not limited to Statutory Auditors, industry expert and the Chartered Engineer	[●]	[●]	[●]
6.	Other expenses (i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees; (ii) Printing and stationery expenses; (iii) Advertising and marketing expenses; (iv) Fees payable to legal counsels; and (v) Miscellaneous	[●]	[●]	[●]
	Total estimated Offer expenses	[●]	[●]	[●]

(1)Amounts will be finalized and incorporated in the Prospectus on determination of Offer Price.
(2)Offer expenses include applicable taxes, where applicable. Offer expenses are estimates and are subject to change.
(3) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders, which are directly procured by them and uploaded by the SCSBs would be as follows:

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)**
*Portion for Eligible Employees**	*0.35% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable taxes)**

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

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(4) No processing fees shall be payable by our Company or the Selling Shareholders to the SCSBs on the Bid cum Application Forms directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/CDPs and submitted to the SCSBs for blocking, would be as follows:

*Portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders**	*₹ 10 per valid application (plus applicable taxes)*

** Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Bidders and Qualified Institutional Bidders with bids above ₹ 0.50 million would be ₹10 plus applicable taxes, per valid application.*

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹4.00 million (plus applicable taxes) and in case if the total processing fees exceeds ₹4.00 million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Eligible Employees (iii) Non-Institutional Bidders, as applicable.

Brokerage, selling commission and processing/uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism) , Eligible Employee and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	*0.35% of the amount Allotted* (plus applicable taxes)*
*Portion for Eligible Employees**	*0.35% of the Amount Allotted (plus applicable taxes)**
Portion for Non-Institutional Bidders	*0.20% of the amount Allotted* (plus applicable taxes)*

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

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

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

Bidding charges payable on the application made using 3-in-1 accounts will be subject to a maximum cap of ₹4.00 million (plus applicable taxes), in case if the total processing fees exceeds ₹ 4.00 million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Eligible Employees (iii) Non-Institutional Bidders, as applicable

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for Retail Individual Bidders**	*₹ 10 per valid application (plus applicable taxes)*
Portion for Eligible Employees	*₹ 10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ 10 per valid application (plus applicable taxes)*

**Based on valid applications*

(5) The uploading charges/ processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹ 30 per valid application (plus applicable taxes)*
Sponsor Banks	*Up to 600,000 valid UPI Applications for each Sponsor Bank:* *₹Nil per valid Bid cum Application Form (plus applicable taxes)** *Above 600,000 valid UPI Applications for each Sponsor Bank:* *₹6.50 per valid Application Form (plus applicable taxes)** *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws*

** Based on valid applications*

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

The total uploading charges / processing fees payable to members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹10.00 million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹10.00 million, then the amount payable to members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹10.00 million.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹0.50 million and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹0.50 million will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Interim Use of Net Proceeds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by the Board of Directors from time to time. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity shares of any other listed company or for any investment in the equity markets.

Bridge Loan

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

Monitoring of Utilisation of Funds

Our Company has appointed CRISIL Ratings Limited as the Monitoring Agency to monitor utilization of proceeds from the Fresh Issue prior to filing of the Red Herring Prospectus with the RoC, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee in accordance with the timelines prescribed under applicable law. Our Company will disclose the utilization of the Net Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds, which shall discuss, monitor and approve the use of the Net Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Red Herring Prospectus and the Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Net Proceeds shall be certified by the Statutory Auditors.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects unless our Company is authorised to do so by way of a special resolution passed in a general meeting of its Shareholders or through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution, shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and provisions of Regulation 59 and Schedule XX of the SEBI Regulations.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law.

Other Confirmations

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoter, members of the Promoter Group, Directors, Group Companies, Key Management Personnel or Senior Management Personnel in relation to the utilisation of the Net Proceeds. Further, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

BASIS FOR THE OFFER PRICE

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

Investors should also refer to the sections titled "*Our Business*", "*Risk Factors*", "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 201, 32, 283 and 356, respectively, to have an informed view before making an investment decision.

Qualitative factors

We believe that some of the qualitative factors and strengths which form the basis for computing the Offer Price are:

(i) Leadership position in the Indian 'stationery and art material' industry with the widest range of products, driving rapid business growth:

- We are the second largest player in India's branded 'stationery and art' products market, with a market share of ~12% by value, as of Fiscal 2023. Our core products such as 'pencils' and 'mathematical instrument boxes' enjoy a high market share, which were 29% and 30% market share by value in Fiscal 2023 respectively *(Source: Technopak Report)*.
- We have a wide and differentiated product portfolio, which includes 3,878 SKUs as of September 30, 2023. As per the Technopak Report, we have the widest breadth of product categories amongst our peers in India and are amongst the few 'stationery and art material' products manufacturing and marketing companies globally with such product spread.
- While our product offerings having evolved significantly over the past several years, our highest selling product, which is 'pencils', contributed only 35.92% our Gross Product Sales, amounting to ₹2,790.07 million in the six months period ended September 30, 2023. We have the least product concentration to overall revenue from the largest product segment among peers in Fiscal 2023 *(Source: Technopak Report)*.
- Our presence across multiple stationery categories and price points has enabled us to be the fastest growing stationery and art material products company in India in terms of revenue during the period from Fiscal 2020 to Fiscal 2023 *(Source: Technopak Report*).

(ii) Strong brand recall driven by high quality, innovative and differentiated products;

- We sell a diverse portfolio of products, occupying leadership positions in multiple product market categories in India *(Source: Technopak Report)*. As per the Technopak Report, among 'core' peers, as defined in the report, we were the only company to have achieved a higher revenue in Fiscal 2022 (post Covid-19 imposed lockdown) vs. Fiscal 2020 (pre-Covid-19 imposed lockdown), which is indicative of the strength and resilience of our brand. As further recognition of our brand, we have been recipients of "The Economic Times Promising Brands 2021" recognition from Economic Times, and "India's No. 1 Brand Award 2017" from the International Brand Consulting Corporation, USA.
- We have a dedicated team working at a state-of-the-art R&D facility in Umbergaon, Gujarat, which is equipped with modern and advanced machinery to develop, test, and evaluate our products. We also have an in-house designing team for developing concept-driven, impressionable designs and products catering to the evolving choices and needs of our target consumers, based on market research and trends.
- We have also entered into technical collaborations with FILA, through which we believe we have gained technical proficiency and assimilation of technology, in order to further develop and improve our products and processes.
- Over the years, we have introduced innovative and utility focused products such as, inclusion of a 'pencil extender' as an ancillary product to our colour pencil set, which enables the consumer to continue to use the pencils even after its size is reduced due to repeated sharpening.

(iii) Robust manufacturing infrastructure, with a focus on backward integration to drive efficiencies;

- We operate 13 manufacturing facilities across Umbergaon, Gujarat, spread over approximately 34 acres of land covering approximately 1.18 million square feet and is one of the largest stationery manufacturing facilities in India *(Source: Technopak Report)*. Our annual installed capacity as on March 31, 2023, for our key products was 4,734.93 million units.

- We also operate one manufacturing facility which is spread across approximately 2 acres of land covering approximately 0.07 million square feet at Bari Brahma, in Jammu and Kashmir, where we produce wooden slats from locally sourced wood. The wooden slats produced by us are further used as an input material for production of wood-cased pencils.
- We are focussed on achieving a greater degree of backward integration of our manufacturing processes, which we believe enables us to improve our efficiency, ensure quality control, reduce dependency on third parties and enhance profitability. In particular, we have backward integrated our manufacturing process by producing several key components and materials used in manufacturing of finished goods. For instance, there is complete backward integration in the manufacturing process for pencils.

(iv) Robust multi-channel distribution network with strong pan India presence;

- We have a widespread multi-channel distribution network, through which we sell our products (i) through general trade, where we sell products to our super-stockists, who sell to a distributor, and who in turn sells it to a wholesaler or retailer; (ii) through modern trade, where we sell our products to supermarkets, hypermarkets, mini markets, cash and carry stores and on leading e-commerce platforms; and (iii) to large corporates, institutions, and other companies who sell our products either in their own brand or under our flagship 'DOMS' brand.
- Our domestic distribution network for general trade comprises of over 120 super-stockists, and over 4,000 distributors along with a dedicated sales team of over 500 personnel covering more than 120,000 retail touch points over 3,500 cities and towns.
- The products manufactured by us are sold in over 45 countries globally.

(v) Strategic partnership with FILA enabling access to global markets and product know-how; and

- FILA, our Corporate Promoter, is an Italy based leading global enterprise devoted to the research, design, manufacture and sale of tools for creative expression, catering to millions of homes, schools, offices and ateliers *(Source: Technopak Report)*. FILA owns 25 renowned brands such as Giotto, Lyra, Dixon, Canson, Daler Rowney, Das and Tratto through which they sell a diversified portfolio of over 20 categories of products, including colouring, design, modelling, writing, and painting objects, such as pencils, crayons, modelling clay, chalk, oil colours, acrylics, watercolors, paints and paper for the fine arts, school and leisure in over 150 countries across 5 continents.
- Our collaboration with FILA has helped us expand our international footprint in Asia Pacific, Europe, and Middle Eastern markets with the distribution of our products. We have exclusive rights for the marketing, sales, and distribution of some of the products under the name and trademark of certain entities of FILA Group in India, Nepal, Bhutan, Sri Lanka, Bangladesh, Myanmar, and Maldives.
- Our knowledge sharing with FILA allows us to augment our R&D capabilities and enables us to remain updated with emerging global trends and technology. Being part of the FILA Group provides us access to their experience and technical know-how.

(vi) Experienced Promoters and management team.

- Our Individual Promoters and Directors, Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Chandni Vijay Somaiya and Ketan Mansukhlal Rajani, have over 23 years, 38 years, 19 years and 20 years of experience, respectively in the 'stationery and art materials' products industry and have been instrumental in the growth of 'DOMS' as a brand.
- The Individual Promoters are actively involved in the day-to-day operations of our Company, ensuring tight cost control and improvements in margins.
- Our Corporate Promoter, FILA has its representatives on our Board, who bring their experience of the stationery industry and international exposure.

For further information, see "*Our Business – Our Strengths*" on page 204.

Quantitative factors

Certain information presented below, relating to us, is based on the Restated Consolidated Financial Information. For details, see the section titled "*Restated Consolidated Financial Information*" on page 283.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and diluted earnings per share ("EPS")

Financial Year/Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2021	(1.07)	(1.07)	1
March 31, 2022	3.05	3.05	2
March 31, 2023	18.29	18.29	3
Weighted Average	**9.98**	**9.98**	
September 30, 2023^	13.14	13.14	

^*Not Annualized*

Notes:

(1) *The face value of each Equity Share is ₹10.*

(2) *Basic EPS = Restated profit for the year attributable to the equity holders of our Company/Weighted average number of equity shares outstanding during the year after considering Bonus shares which has been issued subsequent to March 31, 2023.*

(3) *Diluted EPS (₹) = Restated profit for the year attributable to equity holders of our Company/Weighted average number of equity shares outstanding during the year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares after considering Bonus shares which has been issued subsequent to March 31, 2023. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares subsequent to March 31, 2023 in accordance with IND AS 33.*

(4) *Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'.*

(5) *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weight factor. The weighted average number of Equity Shares outstanding during the years are adjusted for the bonus issue.*

(6) *The Board of Directors at its meeting held on July 3, 2023 had approved the bonus issue of 150 new Equity Share for every one share held on record date which was approved by the shareholders by means of a special resolution dated July 3, 2023. Through a Board resolution dated July 6, 2023, our Company has allotted 558,77,700 equity shares of ₹10 each as bonus shares to the existing equity shareholders of our Company. Accordingly, the earnings per Equity Share have been adjusted for the aforementioned bonus issue.*

(7) *The figures disclosed above are derived from the Restated Consolidated Financial Information.*

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share of our Company:

Particulars	P/E at the lower end of the Price Band (number of times)*	P/E at the higher end of the Price Band (number of times)*
Based on diluted EPS as per the Restated Consolidated Financial Information for the financial year ended March 31, 2023	[●]	[●]
Based on basic EPS as per the Restated Consolidated Financial Information for the financial year ended March 31, 2023	[●]	[●]

**will be populated after finalization of price band*

III. Industry peer company Price/Earning ("P/E") ratio

Based on the peer company information (excluding our Company) given below in this section:

Particulars	P/E Ratio
Highest	64.14
Lowest	15.86
Industry composite	35.98

Notes:

(1) *The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.*

(2) *P/E figures for the peer are computed based on closing market price as on December 1, 2023 on BSE, divided by Diluted EPS based on the consolidated financial results declared by the peers available on website of www. bseindia.com for the Financial Year March 31, 2023.*

IV. Return on Net Worth attributable to the owners of our Company ("RoNW") as derived from the Restated Consolidated Financial Information

Financial Year ended	RoNW (%)	Weight
March 31, 2021	(3.86)%	1
March 31, 2022	5.81%	2
March 31, 2023	28.39%	3
Weighted Average	**15.49%**	
September 30, 2023^	17.76%	

^*Not Annualised.*

Notes:

(1) *Return on Net worth attributable to the owners of our Company (%) = Restated profit / (loss) for the year attributable to owners of the Company / Net worth attributable to owners of the Company.*

(2) *Net Worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Balance Sheet, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation.*

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

V. Net Asset Value per Equity Share (Face value of ₹10) as derived from the Restated Consolidated Financial Information

Net Asset Value per Equity Share	(in ₹)
As on March 31, 2023	59.99
As on September 30, 2023	70.69
After completion of the Offer	
- At Floor Price	[●]
- At Cap Price	[●]
- At Offer Price	[●]

Notes:

1. *Offer Price per Equity Share will be determined on conclusion of the Book Building Process*
2. *Net Asset Value per share is calculated as Net Worth attributable to owners of the Company as at the end of Fiscal year divided by the weighted average number of Equity Shares used in calculating basic earnings per share. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares subsequent to March 31, 2023, in accordance with IND AS 33*
3. *Net Worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profit, securities premium account and debit or credit balance of profit and loss account after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation.*
4. *The Board of Directors at its meeting held on July 3, 2023 had approved the bonus issue of 150 new Equity Share for every one share held on record date which was approved by the shareholders by means of a special resolution dated July 3, 2023. Through a Board resolution dated July 6, 2023, our Company has allotted 558,77,700 equity shares of ₹10 each as bonus shares to the existing equity shareholders of our Company.*

VI. Comparison of accounting ratios with listed industry peers

Name of the company	Face value per equity share (₹)	P/ E (₹)	Total revenue from operations (*in ₹ million*)	EPS Basic (₹)	EPS Diluted (₹)	RoNW (%)	Net asset value per equity share (₹)	Closing price as on December 1, 2023 (₹ per equity share)
DOMS Industries Limited	10	N.A.#	12,118.90	18.29	18.29	28.39	59.99	N.A.#
Listed peers								
Kokuyo Camlin Limited	1	64.14	7,749.43	2.44	2.44	9.31	26.18	156.50
Linc Limited	10	28.15	4,867.55	25.15	25.15	21.10	119.16	707.95
Navneet Education Limited	2	15.86	16,968.30	9.04	9.04	17.78	50.85	143.40
Flair Writing Industries Limited	5	35.76	9,426.60	12.66	12.66	27.18	46.57	452.70

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

 # To be included in respect of the Company in the Prospectus based on the Offer Price.

Notes:

a. *RoNW is computed as Restated profit / (loss) for the year attributable to owners of the Company / Net worth attributable to owners of the Company.*
b. *Net Worth shall mean the aggregate value of the paid-up share capital and all reserves created out of the profit, securities premium account and debit or credit balance of profit and loss account after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write -back of depreciation and amalgamation.*
c. *NAV is computed as is calculated as Net Worth attributable to owners of the Company as at the end of Fiscal year divided by the weighted average number of Equity Shares used in calculating basic earnings per share. The weighted average number of Equity Shares outstanding during the year for the Company is adjusted for bonus issue of Equity Shares subsequent to March 31, 2023 in accordance with IND AS 33*
d. *P/E ratio for industry peers has been calculated as closing share price as of December 1, 2023, sourced from BSE, divided by diluted EPS.*

VII. Key performance indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for the Offer Price. The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help in analysing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company and have a bearing for arriving at the Basis for Offer Price.

The KPIs set forth below, have been approved and verified by the Audit Committee pursuant to its resolution dated November 24, 2023 and the Audit Committee has confirmed that other than the KPI set out below, our Company has not disclosed any other KPIs to investors at any point of time during the three years period prior to the date of this Red Herring Prospectus. Additionally, the KPIs have been subjected to verification and certification by, M. I. Shah and Co, Chartered Accountants by their certificate dated December 2, 2023.

Our Company shall continue to disclose the KPIs disclosed in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, on the Stock Exchanges pursuant to the Offer, or for such other period as may be required under the SEBI ICDR Regulations.

Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to assess our performance over the last three Fiscals. We have also described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" on page 1.

(in ₹ million, unless mentioned otherwise)

Sr. No.	**Metric**	**As at, or for the Fiscal Year ended March 31**			**As at, or for the six months period ended September 30, 2023**
		2021	**2022**	**2023**	
1.	Revenue from operations *(in ₹ million)*	4,028.17	6,836.01	12,118.90	7,617.98
2.	Growth in revenue from operations (%)	NA	69.71%	77.28%	NA
3.	Gross Product Sales *(in ₹ million)*	4,130.45	6,930.95	12,317.34	7,768.39
4.	Gross profit *(in ₹ million)*	1,574.72	2,515.29	4,485.23	3,028.81
5.	Gross margin (%)	39.09%	36.79%	37.01%	39.76%
6.	EBITDA *(in ₹ million)*	300.25	697.13	1,866.60	1,274.45
7.	EBITDA Margin (%)	7.45%	10.20%	15.40%	16.73%
8.	Profit after tax (PAT) *(in ₹ million)*	(60.26)	171.40	1,028.71	739.06
9.	PAT Margin (%)	(1.50)%	2.51%	8.49%	9.70%
10.	RoE (%)	NA	6.86%	33.54%	19.01%^
11.	RoCE (%)	0.36%	10.04%	33.31%	18.04%^
12.	Gross Fixed Assets Turnover (times)	1.88	2.82	3.30	1.67^
13.	Net debt (borrowings) *(in ₹ million)*	682.63	691.40	583.65	1,265.06
14.	**Gross Product Sales break up by distribution channel**				
	Domestic (A)				
	General trade	2,906.85	4,921.82	9,156.91	5,871.74
	Modern trade and e-commerce platform	120.15	214.84	262.87	223.07
	Others*	101.76	146.98	321.82	231.68
	Total (A)	3,128.76	5,283.64	9,741.60	6,326.49
	Exports (B)				
	Export sales to FILA Group	693.13	1,065.31	1,586.07	854.82
	Third party export sales	308.57	582.00	989.67	587.10

Sr. No.	Metric	As at, or for the Fiscal Year ended March 31			As at, or for the six months period ended September 30, 2023
		2021	2022	2023	
	Total (B)	1,001.70	1,647.31	2,575.74	1,441.90
15.	**Gross Product Sales break up by product category**				
	Scholastic stationery	1,910.03	3,269.83	5,688.06	3,543.59
	Scholastic art material	975.20	1,663.70	2,927.97	2,029.86
	Paper stationery	402.54	640.78	1,273.52	773.15
	Kits and combos	464.95	796.86	1,263.83	672.58
	Office supplies	245.60	403.06	752.45	488.05
	Hobby and craft	3.72	6.46	157.26	112.64
	Fine art products	58.13	96.20	141.69	83.18
	Others#	70.28	54.06	112.56	65.34

^Not annualised.
**Others includes OEMs, institutional sales, merchant exports and other ancillary sales.*
 # 'Others' category would include sale of by-products and other materials.
Note: NA for the Company refers to not available, as the Restated Consolidated Financial Information for Fiscal 2020 and six months ended September 30, 2022, is not available.

Notes:

1. *Revenue from operations is calculated as revenue from sale of products and other operating income as per the Restated Consolidated Financial Information.*
2. *Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year.*
3. *Gross Product Sales is calculated as revenue from sale of products as per the Restated Consolidated Financial Information, gross of sales incentives, rebates, and discounts.*
4. *Gross profit is calculated as revenue from operations less cost of material consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress as per the Restated Consolidated Financial Information.*
5. *Gross margin is calculated as a percentage of gross profit divided by revenue from operations.*
6. *EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information.*
7. *EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations as per the Restated Consolidated Financial Information.*
8. *PAT represents total profit for the year as per the Restated Consolidated Financial Information.*
9. *PAT margin is calculated as a percentage of PAT divided by revenue from operations as per the Restated Consolidated Financial Information.*
10. *ROE is calculated as a percentage of PAT divided by average total equity at beginning and end of the year as per the Restated Consolidated Financial Information.*
11. *ROCE is calculated as a percentage of Earnings before interest and Taxes / Total Equity plus Total Borrowings plus Deferred Tax Liabilities minus Deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of associates plus finance costs.*
12. *Gross fixed assets turnover is calculated as revenue from operations divided by gross property, plant and equipment as per the Restated Consolidated Financial Information.*
13. *Net debt (borrowings) is calculated as Total Debt as reduced by cash and cash equivalents and bank balances other than cash and cash equivalents.*
14. *Gross Product Sales break up by distribution channel provides the split of gross product sales by different distribution channels across domestic and export sales.*
15. *Gross Product Sales break up by product category provides the split of gross product sales by different product categories.*

Explanation for the Key Performance Indicator metrics

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company is below:

KPI	Explanation
Revenue from operations	Revenue from operations is used by the management to track the revenue which is generated from our business. This in turn helps assess the overall financial performance of our Company and access if our strategy is positively impacting the business.
Growth in revenue from operations (%)	Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year
Gross product sales	Gross Product Sales provides information regarding revenue from sales of products gross of sales incentives, rebates, and discounts
Gross profit	Gross Profit is used by the management to track information regarding the efficiency with which our Company is consuming materials in manufacturing and sale of its products.

Gross margin (%)	Gross Profit Margin is an indicator of the profitability that allows the management to understand the percentage of revenues that exceeds the consumption of materials and cost of goods sold.
EBITDA	EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business.
Profit after tax (PAT)	Profit after tax is used by the management to track the overall profitability of the business.
Profit after tax (PAT) Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business.
Return on Equity (RoE) (%)	RoE is used by the management to track how efficiently our Company generates profits from shareholders' funds and how well it is converting its shareholders funds to generate profits.
Return on Capital Employed (ROCE) (%)	ROCE is used by the management to track how efficiently our Company generates earnings from the capital employed in the business and how well it is converting its total capital to generate profits.
Gross Fixed Assets Turnover	The fixed asset turnover ratio is used by the management to track how efficiently our Company is generating revenue from operations from its existing gross block of fixed assets.
Net debt (borrowings)	The Net debt (borrowings) ratio is used by the management to track whether our Company can repay its obligations if they were all due today and whether our Company is able to take on more debt
Gross Product Sales break up by distribution channel	This metric enables the management to track the progress of gross revenue from sale of products across different distribution channels of domestic and export sales
Gross Product Sales break up by product category	This metric enables the management to track the progress of gross revenue from sale of products across different product categories including scholastic stationery, scholastic stationery, paper stationery, kits and combos, office supplies, hobby and craft, fine art products and others.

For any further details of our KPIs, see sections titled *"Our Business"* and "*Management's Discussion and Analysis of Financial Position and Results of Operations* " on pages 201 and 356, respectively.

VIII. Comparison of our Key Performance Indicators with our listed industry peers

(a) Comparison with listed industry peers (six months ended September 2023)

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited@
Revenue from Operations	7,617.98	4,306.29	2,430.95	10,572.30	NA
Growth in Revenue from Operations (%)	NA	11.56%	8.08%	3.29%	NA
Gross product sales	7,768.39	NA	NA	NA	NA
Gross profit	3,028.81	1,656.05	953.02	5,031.30	NA
Gross margin (%)	39.76%	38.46%	39.20%	47.59%	NA
EBITDA	1,274.45	415.15	257.35	2,045.80	NA
EBITDA Margin (%)	16.73%	9.64%	10.59%	19.35%	NA
Profit after tax (PAT)	739.06	278.45	150.91	1,805.40	NA
PAT Margin (%)	9.70%	6.47%	6.21%	17.08%	NA
RoE (%)^	19.01%	10.14%	8.34%	14.89%	NA
RoCE (%)^	18.04%	12.42%	11.47%	13.53%	NA
Gross Fixed Assets Turnover (times)^	1.67	NA	NA	NA	NA
Net debt (Borrowings)	1,265.06	90.90	(160.83)	(439.70)	NA
Gross Product Sales break up by distribution channel					
Domestic (A)					
General trade	5,871.74	NA	NA	NA	NA

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited[@]
Modern trade and e-commerce platform	223.07	NA	NA	NA	NA
Others*	231.68	NA	NA	NA	NA
Total (A)	**6,326.49**	**NA**	**NA**	**NA**	NA
Exports (B)					
Export sales to FILA Group	854.82	NA	NA	NA	NA
Third party export sales	587.08	NA	NA	NA	NA
Total (B)	**1,441.90**	**NA**	**NA**	**NA**	NA
Gross Product Sales break up by product category					
Scholastic stationery	3,543.59	NA	NA	NA	NA
Scholastic art material	2,029.86	NA	NA	NA	NA
Paper stationery	773.15	NA	NA	NA	NA
Kits and combos	672.58	NA	NA	NA	NA
Office supplies	488.05	NA	NA	NA	NA
Hobby and craft	112.64	NA	NA	NA	NA
Fine art products	83.18	NA	NA	NA	NA
Others[#]	65.34	NA	NA	NA	NA

^Not annualised.
**Others includes OEMs, institutional sales, merchant exports and other ancillary sales.*
 # 'Others' category would include sale of by-products and other materials.
[@] NA refers to not available, as the restated consolidated financial information for September 2023 for Flair Industries Limited is currently not available.

(b) Comparison with listed industry peers (Fiscal 2023)

(in ₹ million, unless mentioned otherwise)

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited
Revenue from Operations	12,118.90	7,749.43	4,867.55	16,968.30	9,426.60
Growth in Revenue from Operations (%)	77.28%	52.41%	37.13%	52.28%	63.26%
Gross product sales	12,317.34	8,276.49	4,877.48	NA	9,441.70
Gross profit	4,485.23	2,867.10	1,921.60	8,508.90	4,338.91
Gross margin (%)	37.01%	37.00%	39.48%	50.15%	46.03%
EBITDA	1,866.60	543.68	613.59	2,980.10	1,835.13
EBITDA Margin (%)	15.40%	7.02%	12.61%	17.56%	19.47%
Profit after tax (PAT)	1,028.71	244.47	373.97	2,037.60	1,181.00
PAT Margin (%)	8.49%	3.15%	7.68%	12.01%	12.53%
RoE (%)	33.54%	9.74%	23.37%	19.40%	31.40%
RoCE (%)	33.31%	12.36%	28.14%	17.39%	29.94%
Gross Fixed Assets Turnover (times)	3.30	3.80	3.00	3.37	2.60
Net debt (Borrowings)	583.65	473.15	(124.05)	2,487.00	1,147.98
Gross Product Sales break up by distribution channel					
Domestic (A)					

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited
General trade	9,156.91	NA	NA	NA	NA
Modern trade and e-commerce platform	262.87	NA	NA	NA	NA
Others*	321.82	NA	NA	NA	NA
Total (A)	**9,741.60**	**NA**	**NA**	**NA**	NA
Exports (B)					
Export sales to FILA Group	1,586.07	NA	NA	NA	NA
Third party export sales	989.67	NA	NA	NA	NA
Total (B)	**2,575.74**	**NA**	**NA**	**NA**	NA
Gross Product Sales break up by product category					
Scholastic stationery	5,688.06	NA	NA	NA	NA
Scholastic art material	2,927.97	NA	NA	NA	NA
Paper stationery	1,273.52	NA	NA	NA	NA
Kits and combos	1,263.83	NA	NA	NA	NA
Office supplies	752.45	NA	NA	NA	NA
Hobby and craft	157.26	NA	NA	NA	NA
Fine art products	141.69	NA	NA	NA	NA
Others#	112.56	NA	NA	NA	NA

**Others includes OEMs, institutional sales, merchant exports and other ancillary sales.*
 # 'Others' category would include sale of by-products and other materials.

(c) Comparison with listed industry peers (Fiscal 2022)

(in ₹ million, unless mentioned otherwise)

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited
Revenue from operations	6,836.01	5,084.72	3,549.57	11,143.00	5,773.98
Growth in revenue from operations (%)	69.71%	26.13%	38.30%	33.52%	93.77%
Gross product sales	6,930.95	5,484.23	3,556.69	NA	5,760.55
Gross profit	2,515.29	1,960.05	1,174.74	5,826.10	2,692.04
Gross margin (%)	36.79%	38.55%	33.10%	52.28%	46.62%
EBITDA	697.13	165.08	215.28	1,626.10	975.68
EBITDA Margin (%)	10.20%	3.25%	6.06%	14.59%	16.90%
Profit after tax (PAT)	171.40	(47.28)	81.33	743.50	551.51
Profit after tax (PAT) Margin (%)	2.51%	(0.93)%	2.29%	6.67%	9.55%
Return on Equity (ROE) (%)	6.86%	(1.96)%	5.86%	7.91%	19.06%
Return on Capital Employed (ROCE) (%)	10.04%	(0.15)%	7.76%	12.19%	18.43%
Gross Fixed Assets Turnover (times)	2.82	2.47	2.47	2.26	2.00
Net debt (Borrowings)	691.40	632.16	27.94	841.90	1,259.99
Gross Product Sales break up by					

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited
distribution channel					
Domestic (A)					
General trade	4,921.82	NA	NA	NA	NA
Modern trade and e-commerce platform	214.84	NA	NA	NA	NA
Others*	146.98	NA	NA	NA	NA
Total (A)	**5,283.64**	**NA**	**NA**	**NA**	**NA**
Exports (B)					
Export sales to FILA Group	1,065.31	NA	NA	NA	NA
Third party export sales	582.00	NA	NA	NA	NA
Total (B)	**1,647.31**	**NA**	**NA**	**NA**	**NA**
Gross Product Sales break up by product category					
Scholastic stationery	3,269.83	NA	NA	NA	NA
Scholastic art material	1,663.70	NA	NA	NA	NA
Paper stationery	640.78	NA	NA	NA	NA
Kits and combos	796.86	NA	NA	NA	NA
Office supplies	403.06	NA	NA	NA	NA
Hobby and craft	6.46	NA	NA	NA	NA
Fine art products	96.20	NA	NA	NA	NA
Others#	54.06	NA	NA	NA	NA

**Others includes OEMs, institutional sales, merchant exports and other ancillary sales.*
 # 'Others' category would include sale of by-products and other materials.

(d) Comparison with listed industry peers (Fiscal 2021)

(in ₹ million, unless mentioned otherwise)

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited
Revenue from operations	4,028.17	4,031.24	2,566.61	8,345.70	2,979.88
Growth in revenue from operations (%)	NA	(36.42)%	(35.35)%	-44.81%	NA
Gross product sales	4,130.45	4,469.17	2,555.63	NA	2,936.48
Gross profit	1,574.72	1,668.11	839.38	4,374.90	1,315.64
Gross margin (%)	39.09%	41.38%	32.70%	52.42%	44.15%
EBITDA	300.25	88.43	101.70	870.20	229.96
EBITDA Margin (%)	7.45%	2.19%	3.96%	10.43%	7.72%
Profit after tax (PAT)	(60.26)	(146.18)	0.39	559.10	9.89
Profit after tax (PAT) Margin (%)	(1.50)%	(3.63)%	0.02%	6.70%	0.33%
Return on Equity (ROE) (%)	NA	(5.93)%	0.03%	6.23%	NA
Return on Capital Employed (ROCE) (%)	0.36%	(2.87)%	(0.73)%	5.48%	3.34%
Gross Fixed Assets Turnover (times)	1.88	1.83	2.17	1.84	1.16
Net debt (Borrowings)	682.63	711.83	78.48	191.50	1,133.63

Particulars	DOMS Industries Limited	Kokuyo Camlin Limited	Linc Limited	Navneet Education Limited	Flair Writing Industries Limited
Gross Product Sales break up by distribution channel					
Domestic (A)					
General trade	2,906.85	NA	NA	NA	NA
Modern trade and e-commerce platform	120.15	NA	NA	NA	NA
Others*	101.76	NA	NA	NA	NA
Total (A)	**3,128.76**	**NA**	**NA**	**NA**	**NA**
Exports (B)					
Export sales to FILA Group	693.13	NA	NA	NA	NA
Third party export sales	308.57	NA	NA	NA	NA
Total (B)	**1,001.70**	**NA**	**NA**	**NA**	**NA**
Gross Product Sales break up by product category					
Scholastic stationery	1,910.03	NA	NA	NA	NA
Scholastic art material	975.20	NA	NA	NA	NA
Paper stationery	402.54	NA	NA	NA	NA
Kits and combos	464.95	NA	NA	NA	NA
Office supplies	245.60	NA	NA	NA	NA
Hobby and craft	3.72	NA	NA	NA	NA
Fine art products	58.13	NA	NA	NA	NA
Others#	70.28	NA	NA	NA	NA

**Others includes OEMs, institutional sales, merchant exports and other ancillary sales.*

 # 'Others' category would include sale of by-products and other materials.

Note: NA for the Company refers to not available, as the Restated Consolidated Financial Information for Fiscal 2020 is not available.

Notes relating to key performance indicators of Industry Peers:

1. *Revenue from operations is calculated as revenue from sale of products and other operating income as per the Restated Consolidated Financial Information.*
2. *Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year.*
3. *Gross Product Sales is calculated as revenue from sale of products as per the Restated Consolidated Financial Information, gross of sales incentives, rebates, and discounts.*
4. *Gross profit is calculated as revenue from operations less cost of material consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress as per the Restated Consolidated Financial Information.*
5. *Gross margin is calculated as a percentage of gross profit divided by revenue from operations.*
6. *EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information.*
7. *EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations as per the Restated Consolidated Financial Information.*
8. *PAT represents total profit for the year as per the Restated Consolidated Financial Information.*
9. *PAT margin is calculated as a percentage of PAT divided by revenue from operations as per the Restated Consolidated Financial Information.*
10. *ROE is calculated as a percentage of PAT divided by average total equity at beginning and end of the year as per the Restated Consolidated Financial Information.*
11. *ROCE is calculated as a percentage of Earnings before interest and Taxes / Total Equity plus Total Borrowings plus Deferred Tax Liabilities minus Deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of associates plus finance costs.*
12. *Gross fixed assets turnover is calculated as revenue from operations divided by gross property, plant and equipment as per the Restated Consolidated Financial Information.*
13. *Net debt (borrowings) is calculated as Total Debt as reduced by Cash & Cash Equivalents and Bank Balances other than Cash & Cash Equivalents.*
14. *Gross Product Sales break up by distribution channel provides the split of gross product sales by different distribution channels across domestic and export sales.*
15. *Gross Product Sales break up by product category provides the split of gross product sales by different product categories.*
16. *NA for Industry Peers refers to information not publicly available.*

The KPIs set out above are not standardised terms and accordingly a direct comparison of such KPIs between companies may not be possible. Other companies may calculate such KPIs differently from us.

IX. Comparison of Key Performance Indicators based on additions or dispositions to our business

Our Company has not undertaken a material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

X. Weighted Average Cost of Acquisition, Floor Price and Cap Price

(a) *The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Scheme and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Primary Transactions**")*

There has been no issuance of Equity Shares or convertible securities, (excluding the issuance of bonus shares), during the 18 months preceding the date of this RHP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(b) *The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the secondary sale / acquisition of Equity Shares or convertible securities involving any of the Promoters, members of the Promoter Group, Selling Shareholders or Shareholders with rights to nominate directors during the 18 months preceding the date of filing of this Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Secondary Transactions**")*

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) are a party to the transaction (excluding gifts), during the 18 months preceding the date of this RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s)) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last five primary or secondary transactions (secondary transactions where our Promoters / members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is as below:

Date of allotment/ transaction	No. of Equity Shares	Face value per Equity Shares	Issue/ transaction price per Equity Share (₹)	Nature of allotment / transaction	Nature of consideration	Total consideration (in ₹ million)
Primary transactions						
July 6, 2023	55,877,700	10	N.A.	Bonus issue in the ratio of 150 Equity Shares for every one existing Equity Share held	N.A.	N.A.
Total	55,877,700					
Weighted average cost of acquisition (primary transaction)						**N.A.**
Secondary transactions						

Total	Nil	Nil	Nil
Weighted average cost of acquisition (secondary transaction)			**N.A.#**

Note: The above details have been certified by M.I. Shah & Co., Chartered Accountants by their certificate dated December 2, 2023.
#There have been no secondary transactions in Equity Shares of our Company (i.e., secondary transactions where our Promoters, members of our Promoter Group and/or Shareholders of our Company having the right to nominate director(s) on the Board of Directors of the Company, are a party to the transaction), during the three years prior to the date of this Red Herring Prospectus.

(d) *Weighted average cost of acquisition, floor price, and cap price*

Based on the disclosures in (a), (b) and (c) above, the weighted average cost of acquisition of Equity Shares as compared with the Floor Price and Cap Price is set forth below:

Type of transactions	WACA (in ₹)	Floor Price (₹[●])*	Cap Price (₹[●])*
I. Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	**NA#**	[●] times	[●] times
II. Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares equity/convertible securities, where promoter/ promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) or selling shareholder in the Board are a party to the transaction, during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	**NA#**	[●] times	[●] times
III. Since there are no such transactions to report to under (I) and (II) above, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction, is as below:	**NA#**		
Type of transactions	**WACA (in ₹)**	**Floor Price (₹[●])***	**Cap Price (₹[●])***
a) WACA*of Equity Shares based on primary issuances undertaken during the three immediately preceding years	**NA#**	[●] times	[●] times
b) WACA*of Equity Shares based on secondary transactions undertaken during the three immediately preceding years	**NA#**	[●] times	[●] times

#WACA has been mentioned as N.A. since there have been no transactions excluding bonus issuance.
** To be updated at Prospectus stage.*

XI. Explanation for Offer Price/Cap Price being [•] price of weighted average cost of acquisition of Primary Transaction price/Secondary Transaction price of Equity Shares (set out in VIII above) along with our Company's key performance indicators and financial ratios for the Fiscals 2021, 2022 and 2023 and the six months period ended September 30, 2023.

[•]*

**To be included on finalisation of Price Band*

XII. Explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of Primary Transaction price/ Secondary Transaction price of Equity Shares (set out in VIII above) in view of the external factors which may have influenced the pricing of the Offer.

[●]*

**To be included on finalisation of Price Band*

XIII. The Offer price is [●] times of the face value of the Equity Share

The Offer Price of ₹[●] has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand from Bidders for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

The trading price of Equity Shares could decline due to factors mentioned in the section titled "*Risk Factors*" on page 32 and you may lose all or part of your investments, Bidders should read the above-mentioned information along with the sections titled "*Our Business*", "*Management's Discussion and Analysis of Financial Position and Results of Operations*" and "*Financial Information*" on pages 201, 356 and 283 respectively, to have a more informed view before making an investment decision.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors
DOMS Industries Limited
(formerly known as DOMS Industries Private Limited)
J-19, G.I.D.C., Opposite Telephone Exchange
Umbergaon, 396 171,
Gujarat, India

Date: 2 December 2023

Subject: Statement of possible special tax benefits ("the Statement") available to DOMS Industries Limited (formerly known as DOMS Industries Private Limited) ("the Company") its material subsidiary and its shareholders prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 24 July 2023 with subsequent addendum as on 24 November 2023.

We hereby report that the enclosed Annexure II prepared by the Company, initialled by us for identification purpose, states the possible special–tax benefits available to the Company, its shareholders and its material subsidiary which is defined in Annexure I (**List of Material Subsidiaries Considered As Part Of The Statement**), under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiary fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiary may face in the future and accordingly, the Company, its shareholders and its Material Subsidiary may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary and do not cover any general tax benefits available to the Company, its shareholders and its Material Subsidiary. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the "**Proposed Offer**") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Charted Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

i) the Company, its shareholders and its Material Subsidiary will continue to obtain these possible special tax benefits in future; or
ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiary, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiary.

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the 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 or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Report in the Red Herring Prospectus and Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W100022

Place: Mumbai
Date : December 2, 2023
UDIN: 23105003BGYDMM9436

Tarun Kinger
Partner
Membership No: 105003

ANNEXURE I
LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017
5.	Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications made thereunder
6.	The Foreign Trade Policy 2015-2023

LIST OF MATERIAL SUBSIDIARIES CONSIDERED AS PART OF THE STATEMENT
(Note 1)

1. Pioneer Stationery Private Limited ('Material Subsidiary')

Note 1: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose income or net worth in the immediately preceding year (i.e., March 31, 2023) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediately preceding year.

For **DOMS Industries Limited (formerly known as 'DOMS Industries Private Limited')**

Director
Date: December 2, 2023

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO DOMS INDUSTRIES LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiary under the Tax Laws in force in India (i.e., applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25 till the signing date of this annexure). These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiary fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders and its Material Subsidiary to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

UNDER THE TAX LAWS

A. Special tax benefits available to the Company and its Material Subsidiary

Direct tax laws

Lower corporate tax rates on income of domestic companies - Section 115BAA of the income-tax Act, 1961 ('the Act')

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 (the "**Amendment Act, 2019**") w.e.f. from FY 2019-20 relevant to AY 2020-21. Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%) and the option once exercised shall apply to subsequent assessment years.

In such a case, the Company may not be allowed to claim any of the following deductions/exemptions:

- Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
- Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
- Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
- Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
- Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
- Deduction under section 35CCD (Expenditure on skill development)
- Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
- No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above
- No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

In this regard, the Company and its material subsidiaries has opted to be covered under the provisions of Section 115BAA of the Act and would be eligible for a reduced tax rate of 22% (25.168% along with surcharge and health and education cess) from AY 2020-21.

B. Special tax benefits available to the Shareholders of the Company

- As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfillment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such capital gains exceed INR 1,00,000.

- Section 112 of the Act provides for taxation of long-term capital gains in case of a domestic company / resident, amount of income-tax on long-term capital gains arising from the transfer of a capital asset shall be computed at the rate of 20%. In case of non-resident (not being a company) or a foreign company, the amount of income-tax on long- term capital gains arising from the transfer of a capital asset (being unlisted securities or shares of a company not being a company in which the public are substantially interested) shall be calculated at the rate of 10% without giving effect to the first and second proviso to section 48.

- Further, where the tax payable is payable in respect of any income arising from the transfer of a long- term capital asset, being listed securities (other than a unit) or zero-coupon bond, then such income will be subject to tax at the rate of 10% of the amount of capital gains before giving effect to the provisions of the second proviso to section 48.

- As per section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfillment of prescribed conditions under the Act.

- As per section 115E of the Act, long term capital gains arising to non-resident Indian from transfer of shares in an Indian company which the shareholder has acquired in convertible foreign exchange shall be taxed at the rate of 10% subject to fulfilment of prescribed conditions under the Act.

- Dividend income earned by the shareholders would be taxable in their hands and the Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). In case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

- As per section 115A of the Act, dividend income earned by a non-resident (not being a company) or by a foreign company, shall be taxed at the rate of 20% subject to fulfilment of prescribed conditions under the Act.

- Further, any income by way of capital gains, dividends accruing to non-residents may be subject to withholding tax per the provisions of the Act or under the relevant Double Taxation Avoidance Agreement ('DTAA'), whichever is more beneficial to such non-resident. However, where such non-- resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders can also avail credit of any taxes paid by them, subject to local laws of the country in which such shareholder is resident.

  In respect of non-resident shareholders, the tax rates and the consequent taxation (in relation to capital gains, dividends etc.) shall be further subject to any benefits available under the applicable DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

NOTES:

1. This Annexure is as per the Income-tax Act, 1961 as amended by the Finance Act, 2023 read with relevant rules, circulars and notifications applicable for the Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

2. 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 or its shareholders may or may not choose to fulfil.

3. The Statement has been prepared on the basis that the shares of the Company will be listed on a recognized stock exchange in India.

4. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

5. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

6. No assurance is provided 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.

Indirect tax laws

The Company is availing the following special benefits under Indirect Taxes:

a. Company is availing the benefit of Basic Customs duty exemption in terms of Notification No. 69/2011-Customs dated 29 July 2011 in respect of goods imported from Japan, subject to fulfilment of conditions prescribed therein;

b. Company is availing export incentives under Foreign Trade Policy with respect to duty free import of inputs under Advance Authorization scheme and capital goods under Export Promotion Capital Goods scheme subject to fulfilment of Export Obligation and other conditions prescribed in the relevant notifications;

c. Company has supplied goods to few merchant exporters on payment of Integrated Goods and Services tax ("IGST") at a concessional rate of 0.1% in terms of Notification No. 41/2017-Integrated Tax (Rate) dated 23 October 2017 subject to fulfilment of conditions prescribed therein;

d. Company is availing exemption from payment of Goods and Services tax ("GST") on supply of Chalk under CGST Rate Notification No. 2/2017 dated 28 June 2017;

e. Company is also availing the refund of IGST paid on export of goods in terms of Section 54 of CGST Act, 2017 read with Rule 96 of CGST Rules, 2017.

f. Company is availing rebate of taxes / duties on inputs under Remission of Duties and Taxes on Exported Products ("RoDTEP") scheme at the applicable rates;

g. Company is availing duty drawback of duty paid on import of materials used in manufacture of exported goods under Section 75 of the Customs Act 1962.

C. ***Special tax benefits available to Shareholders***

There are no special tax benefits available to the Shareholders under the Tax Laws.

D. ***Special tax benefits available to Material Subsidiary***

Following are exemptions availed by Material Subsidiary under indirect taxes:

a. Company is availing rebate of taxes / duties on inputs under Remission of Duties and Taxes on Exported Products ("RoDTEP") scheme at the applicable rates;

b. Company is availing duty drawback of duty paid on import of materials used in manufacture of exported goods under Section 75 of the Customs Act 1962.

NOTES:

1. The above is as per the current Tax Laws.

2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For **DOMS Industries Limited (formerly known as 'DOMS Industries Private Limited')**

Director
Date: December 2, 2023

SECTION V – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the industry and market related information in this section has been derived from a report titled "Industry Report on the Stationery and Art Material Market in India" dated November 23, 2023, prepared by Technopak Advisors Private Limited (the "**Technopak Report**"). We commissioned and paid for the Technopak Report for the purposes of confirming our understanding of the industry specifically for the purpose of the Offer for an agreed fee. We engaged Technopak Advisors Private Limited in connection with the preparation of the Technopak Report pursuant to a letter of authorization dated March 17, 2023. The data included herein includes excerpts from the Technopak Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer) that has been left out or changed in any manner. A copy of the Technopak Report is available on the website of our Company at https://www.domsindia.com/industry-report/. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. See "Certain Conventions, Use of Financial Information, Market Data and Currency of Presentation —Industry and Market Data" on page 17. Also see "Risk Factors- Internal Risk Factors – Other risks – 45. Industry Data - Industry information included in this Red Herring Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us" on page 59.*

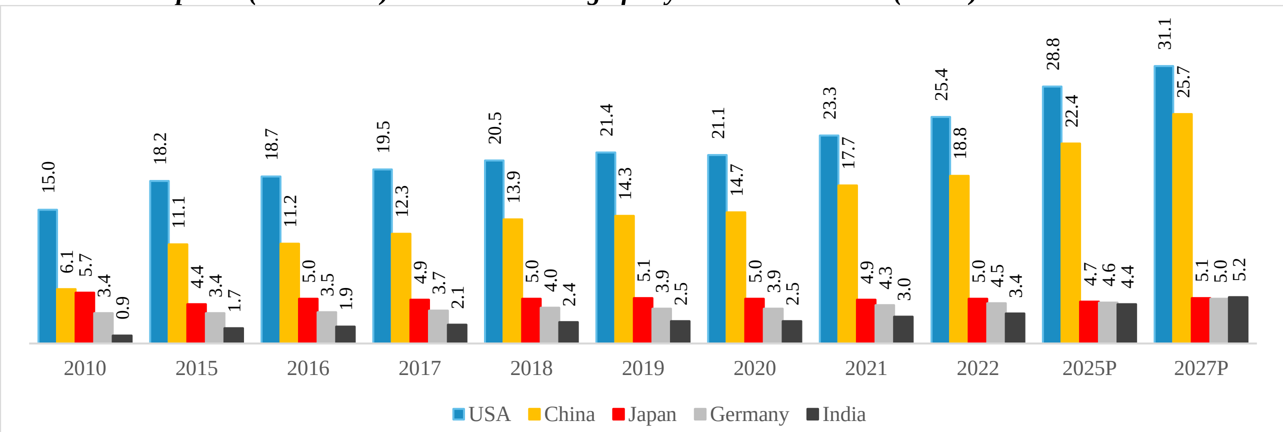
Macro-Economic and Overview - GDP and GDP Growth

Global Economy

Following the onset of the Covid-19 pandemic crisis, the global economy has experienced a combination of both risks and opportunities. Progressing toward recovery, the global economy started returning to normalcy after a prolonged struggle; the governments worldwide have taken swift and appropriate measures, including widespread vaccination efforts and the consistent implementation of fiscal and monetary support strategies. Right when the economic situation seemed to be improving after the Covid-19, the Russia-Ukraine geopolitical conflict unfolded, contributing to global inflationary pressures and resulting in record-high levels not witnessed in the past four decades. Moreover, the impact of the conflict between Israel and Hamas on global financial markets will be contingent on the involvement of major regional powers. If the conflict remains localized between Israel and Hamas, its effects are likely to be limited, primarily affecting countries directly engaged in trade with Israel or Palestine. However, should the conflict extend to major oil-producing nations in the region, such as Iran, the global economy may experience significant consequences. Interruptions in the oil supply could lead to a sharp increase in energy costs for businesses and households, posing a potential threat to the overall stability of the global economy. To tackle this, Central Banks are adopting a hawkish approach and implementing interest rate hikes.

On the back of enhanced vaccination coverage and continued fiscal and monetary stimuli across countries, the GDP of the World grew by 13.2% CY 21 against a contraction of 3.0 % in CY 20. The positive trend continued into CY 22, with a growth rate of 4.7%. The global GDP is forecasted to grow from USD 101.0 trillion in CY 22 to 128.5 in CY 27, thus growing at a CAGR of 4.9% during the forecasted period. The GDP (at current price) of the major economies in the world is presented in the table below.

GDP at current prices (In USD Tn) and GDP Ranking of Key Global Economies (CY 22)



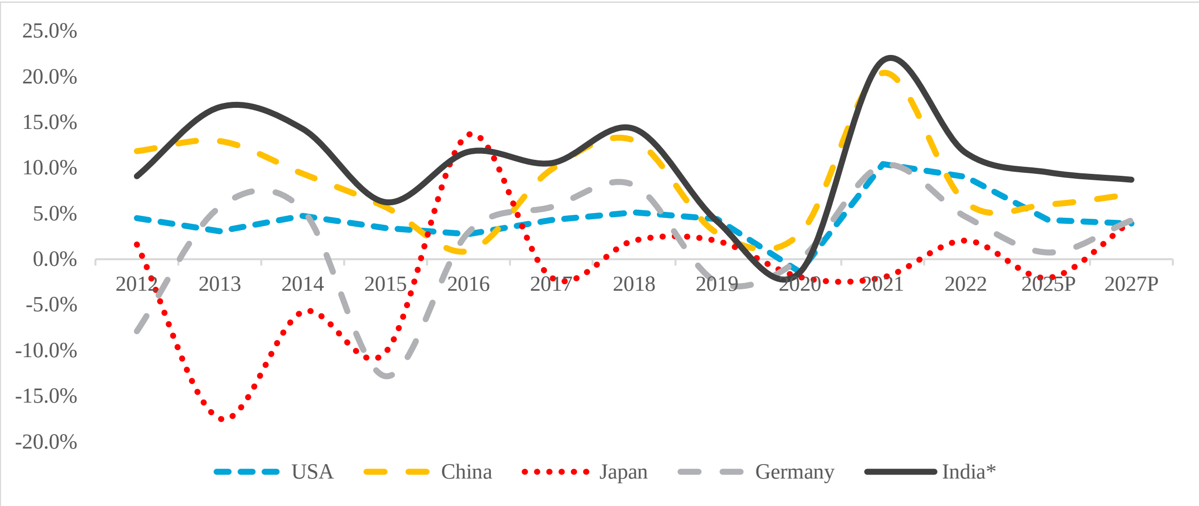
Source: World Bank Data, IMF, RBI; CY 2022 for India refers to FY 2023 data and so on.

Country	Rank in GDP (CY 22)	Rank in GDP (PPP)	CY 10	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 25P	CY 27P	CAGR (2016-21	CAGR (2022-27)
USA	1	2	15.1	18.2	18.7	19.5	20.5	21.4	21.1	23.3	25.4	28.8	31.1	4.5%	4.1%
China	2	1	6.1	11.1	11.2	12.3	13.9	14.3	14.7	17.7	18.8	22.4	25.7	9.6%	6.5%
Japan	3	4	5.8	4.4	5.0	4.9	5.0	5.1	5.0	4.9	5.0	4.7	5.1	-0.4%	0.4%
Germany	4	5	3.4	3.4	3.5	3.7	4	3.9	3.9	4.3	4.5	4.6	5.0	4.2%	2.1%
India	5	3	0.9	1.7	1.9	2.1	2.4	2.5	2.5	3.0	3.4	4.4	5.2	9.6%	8.9%
UK	6	10	2.5	2.9	2.7	2.6	2.9	2.8	2.7	2.9	3.2	3.6	4.0	1.4%	4.6%
Brazil	12	8	2.2	1.8	1.8	2.1	1.9	1.9	1.5	1.6	1.8	2.3	2.6	-2.3%	7.6%
Russia	11	6	1.6	1.4	1.3	1.6	1.7	1.7	1.5	1.8	1.9	2.2	2.3	6.7%	3.9%
World	-	-	66.6	75.2	76.5	81.4	86.5	87.7	85.0	96.5	101.0	116.5	128.5	4.8%	4.9%

The world economy has experienced a contraction in GDP growth during the pandemic i.e. in CY 20. However, the governments and central banks globally have taken decisive actions by implementing fiscal and monetary stimulus measures to bolster the process of economic recovery. Further, the gradual recovery of global supply chains and increased international trade have contributed to the positive growth trajectory. These well-calibrated initiatives and the recovery to global supply-chain have been directed towards reinstating consumer and business confidence, stimulating demand, and achieving stability in financial markets. As a result of these concerted efforts, multiple countries and regions have demonstrated encouraging signs of economic revival and notable growth.

The economies of India and China witnessed remarkable growth in nominal GDP during the calendar year 2021 and 2022, following the COVID-19 pandemic. India demonstrated a substantial year-on-year nominal GDP growth rate of 21.8% in CY 21 followed by a growth of 11.7% in CY 22. Meanwhile China experienced a notable growth rate of 20.4% in CY 21 and 6.2% growth in CY 22. On the other hand, major economies like the United States and Germany reported GDP growth rates of 10.4% and 10.3% respectively during CY 21 followed by 9% and 4.7% GDP growths in CY 22. Japan, however, experienced a negative growth in GDP (-2.0%) during CY 21. Nevertheless, in CY 22, Japan's GDP rebounded with a growth rate of 2%.

Nominal GDP growth – U.S., China, Japan, Germany, India (CY)



Source: India Data from RBI, Future growth rate from OECD Data, Technopak Analysis
1USD = INR 80
**For India, CY 11 represents FY 12 and so on.*

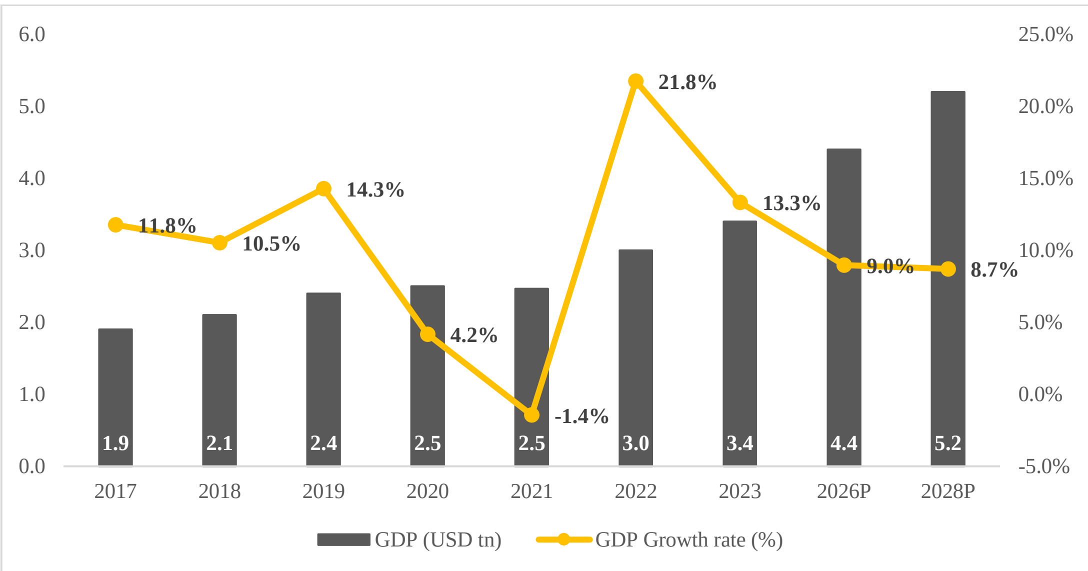
	CY 12	CY 13	CY 14	CY 15	CY 16	CY 17	CY 18	CY 19	CY 20	CY 21	CY 22	CY 25P	CY 27P
USA	4.5%	3.1%	4.8%	3.4%	2.7%	4.3%	5.1%	4.4%	-1.4%	10.4%	9.0%	4.3%	3.9%
China	11.8%	12.9%	9.4%	5.7%	0.9%	9.8%	13.0%	2.9%	2.8%	20.4%	6.2%	6.0%	7.1%
Japan	1.6%	-17.5%	-5.8%	-10.2%	13.6%	-2.0%	2.0%	2.0%	-2.0%	-2.0%	2.0%	-2.0%	4.2%
Germany	-7.9%	5.7%	5.4%	-12.8%	2.9%	5.7%	8.1%	-2.5%	0.0%	10.3%	4.7%	0.7%	4.3%
India*	**9.1%**	**16.7%**	**14.3%**	**6.2%**	**11.8%**	**10.5%**	**14.3%**	**4.2%**	**-1.4%**	**20.0%**	**11.7%**	**9.5%**	**8.7%**

Indian Economy

India is the world's 5th largest economy and expected to be in the top 3 by FY 28

India ranked fifth in the world in terms of nominal gross domestic product ("GDP") for FY 22 and is the third largest economy in the world in terms of purchasing power parity ("PPP"). India is expected to be USD ~5.2 trillion economy by FY 28 and is estimated to be the third largest economy surpassing Germany and Japan.

India's nominal GDP at current prices (In USD Tn) and GDP Growth rate (%) (FY)



Source: World Bank Data, RBI, IMF

India's nominal GDP has grown at a CAGR of 9.6% between FY 17 and FY 22 and is expected to continue the trend by registering an expected CAGR of 8.9% for 5-year time period from FY 23 to FY 28.

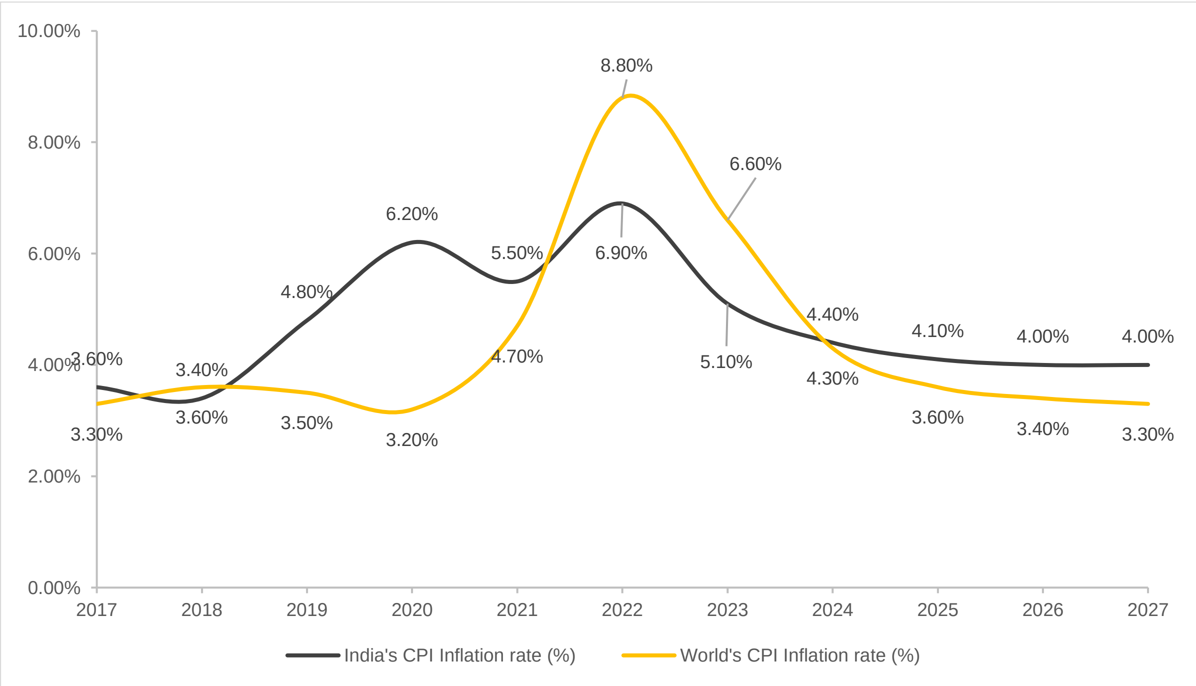
Since FY 05, the Indian economy's growth rate had been twice as that of the world economy and it is expected to sustain this growth momentum in the long term. From FY 23 to FY 28, India's nominal GDP is expected to grow at a CAGR of 8.9%, which compares favorably to the world average (4.9%) and with other major economies, including China (6.5%), UK (4.6%), Japan (0.4%), Germany (2.1%) and the USA (4.1%) for the similar period of CY 22 to CY 27. It is also expected that the growth trajectory of Indian economy will enable India to be among the top 3 global economies by FY 28. Several factors are likely to contribute to economic growth in the long run.

These include favourable demographics, reducing dependency ratio, rapidly rising education levels, steady urbanization, growing young & working population, IT revolution, increasing penetration of mobile & internet infrastructure, government policies, increasing aspirations and affordability etc.

Macro-Economic and Overview – Inflation

Inflation is measured by the consumer price index (CPI), is defined as the change in the prices of a basket of goods and services that are typically purchased by specific groups of households. The world has witnessed a significant rise in inflation during the year 2022 where the average global inflation was recorded at 8.8%. As per the IMF report, the global inflation rate is expected to drop to 6.6% in CY 23 and 4.3% to CY 24 as compared to a pre-pandemic level of 3.5% during CY 17 to CY 19.

Comparison of India's inflation rate (%) to the World's – average consumer price (CY)



Source: IMF projection

The economies of both India and the world are undergoing a recovery process following the impact of the COVID-19 pandemic. However, the speed of their recovery is influenced not only by the severity of the COVID-19 impact but also by their ability to handle the challenges arising from the economic consequences of the ongoing geopolitical conflict between Russia and Ukraine.

Due to a substantial increase in global crude oil and commodity prices, India along with other developed countries are faced significant challenges related to high levels of inflation in recent years. Further, the pandemic has led to disruptions in global supply chains, affecting the availability of goods and raw materials. In response to this inflationary pressure, these countries are compelled to raise their domestic interest rates. RBI has been working towards reducing inflation by increasing the Repo rate to control the supply and demand of goods and services. The RBI has increased repo rate by a cumulative 250 basis points, from 4% in April 2022 to 6.50% in April 2023, with an aim to tackle the current inflation scenario in India.

The CPI inflation rate in India has been above the Reserve Bank of India (RBI) medium-term target of 6%. The country's retail inflation slipped to 4.25% in May 2023, from 6.44% in January 2023. The CPI inflation in India is expected to fall from 6.9% in FY 22 to 5.1% in FY 23 and further dropping to 4.4% during the year 2024.

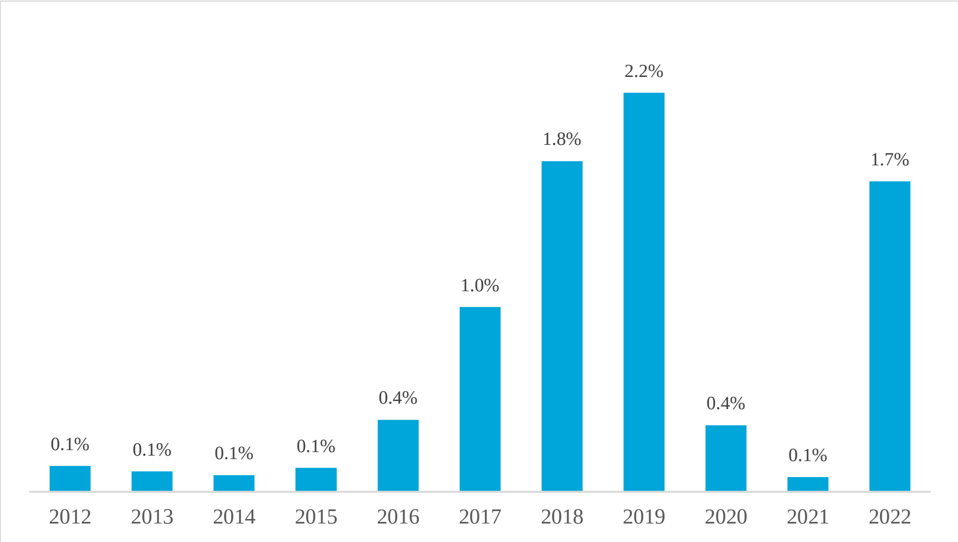
Global Inflation rate, average CPI (%) – U.S., U.K, China, Japan, India, Germany (CY)

Inflation rate (CPI%)	2017	2018	2019	2020	2021	2022	2023P	2024P	2025P	2026P	2027P
China	1.6%	2.1%	2.9%	2.4%	0.9%	2.2%	2.2%	1.9%	2.0%	2.0%	2.0%
India	3.6%	3.4%	4.8%	6.2%	5.5%	6.9%	5.1%	4.4%	4.1%	4.0%	4.0%
Japan	0.5%	1.0%	0.5%	0.0%	-0.2%	2.0%	1.4%	1.0%	1.0%	1.0%	1.0%
Germany	1.7%	1.9%	1.4%	0.4%	3.2%	8.5%	7.2%	3.5%	2.6%	2.0%	2.0%
UK	2.7%	2.5%	1.8%	0.9%	2.6%	9.1%	9.0%	3.7%	1.8%	2.0%	2.0%
USA	2.1%	2.4%	1.8%	1.2%	4.7%	8.1%	3.5%	2.2%	2.0%	2.0%	2.0%
World	3.3%	3.6%	3.5%	3.2%	4.7%	8.8%	6.6%	4.3%	3.6%	3.4%	3.3%

Source: IMF projections

The Federal Reserve made significant changes to interest rates in an effort to stabilize the economy and support financial markets. During Covid-19, the Federal Reserve swiftly responded to the emerging crisis by cutting its benchmark interest rate to near-zero levels. However, during the time of inflation, the Federal Reserve has increased the interest rate to slow down borrowing and spending, which can help reduce inflationary pressures. Exhibit 1.6 depicts the change in Interest rates pre and post covid.

Federal Funds Rate - Historical Annual Yield Data (%) (CY)



Source: Secondary Research

Private Final consumption

GDP growth in India is expected to be driven by rising private final consumption expenditure. India is a private consumption driven economy where the share of domestic consumption is measured as private final consumption expenditure (PFCE). This private consumption expenditure comprises both goods (food, lifestyle, home, pharmacy etc.) and services (food services, education, healthcare etc.). High share of private consumption to GDP has the advantage of insulating India from volatility in the global economy. It also implies that sustainable economic growth directly translates into sustained consumer demand for goods and services. India's domestic consumption has grown at a CAGR of 10.4% between FY 17 and FY 23, compared to 5.5% and 12.7% in the USA and China, respectively during the similar period of CY 16 and CY 22. Further, Indian total PFCE is expected to grow at same pace during the next 5 years at a CAGR of 10.8% and projected reach to USD 3 trillion by FY 27.

In FY 22, PFCE accounted for ~60% of India's GDP. This is much higher than that in China (~39%), Germany (~50%) and comparable to that of the US (~68%) and the UK (~61%) for similar time of CY 21. With the rapidly growing GDP and PFCE, India is expected to be one of the top consumer markets in the world. It is estimated that the Private Final Consumption expenditure contribution to India's GDP will be 60.55% for FY 23.

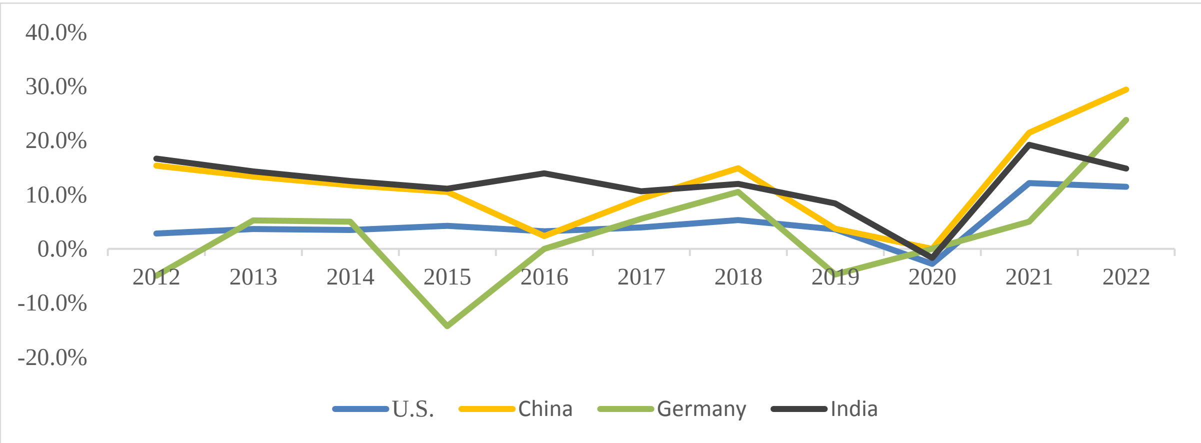
Total Private Final Consumption Expenditure in CY (Current Prices USD Tn)

Country	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2026P	Contribution to GDP			CAGR	
														2019	2021	2022	2016-22	2022-26
U.S.	10.7	11	11.4	11.8	12.3	12.7	13.2	13.9	14.4	14	15.7	17.5	NA	67.4%	68.3%	NA	5.5%	NA
China	2.6	3	3.4	3.8	4.2	4.3	4.7	5.4	5.6	5.6	6.8	8.8	NA	39.2%	38.9%	NA	12.7%	NA
Germany	2	1.9	2	2.1	1.8	1.8	1.9	2.1	2	2	2.1	2.6	NA	51.7%	49.6%	73.1%	6.3%	NA
India*	0.6	0.7	0.8	0.9	1.0	1.1	1.3	1.4	1.5	1.5	1.8	2.1	3.0	61.0%	59.6%	60.1%	10.4%	10.8%
Italy	1.4	1.3	1.3	1.3	1.1	1.1	1.2	1.3	1.2	1.1	1.1	1.5	NA	59.8%	57.8%	79.8%	5.3%	NA
U.K.	1.7	1.8	1.8	2	1.9	1.8	1.7	1.9	1.8	1.7	2	2.6	NA	66.0%	61.1%	83.9%	6.3%	NA
World	41.7	42.6	43.8	45	42.6	43.6	46	48.5	49.3	46.9	50.2	NA	NA	56.2%	55.7%	NA	NA	NA

Source: World Bank, RBI, Technopak Research & Analysis
** For India, CY 2011 refers to FY 2012 and so on, India Data in FY*
1USD = INR 80

Total Private Final Consumption Expenditure growth (%) (CY)

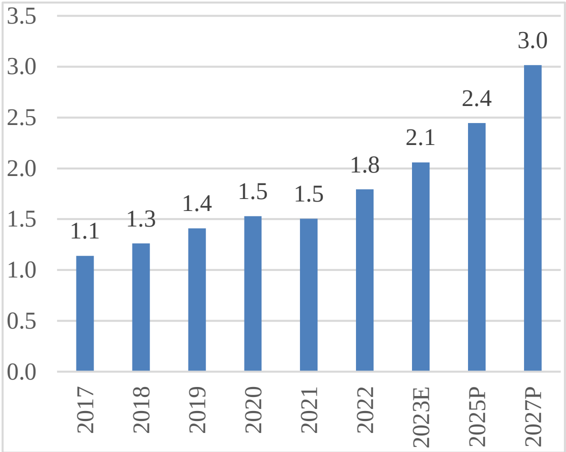
Country	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
U.S.	2.8%	3.6%	3.5%	4.2%	3.3%	3.9%	5.3%	3.6%	-2.8%	12.1%	11.5%
China	15.4%	13.3%	11.8%	10.5%	2.4%	9.3%	14.9%	3.7%	0.0%	21.4%	29.4%
Germany	-5.0%	5.3%	5.0%	-14.3%	0.0%	5.6%	10.5%	-4.8%	0.0%	5.0%	23.8%
India	16.7%	14.3%	12.5%	11.1%	13.9%	10.6%	12.0%	8.4%	-1.7%	17.1%	16.3%



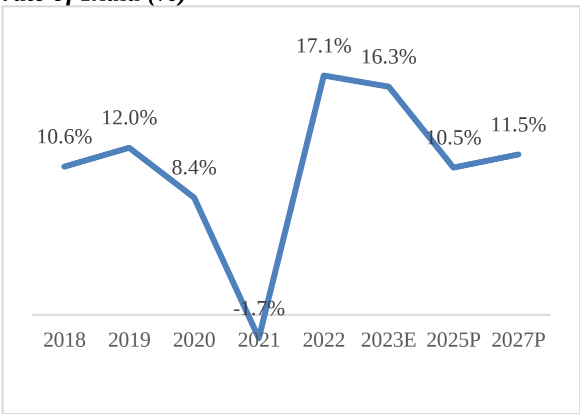
Source: World Bank, RBI, Technopak Research & Analysis
** For India, CY 12 refers to FY 13 and so on, India Data in FY. 1USD = INR 80*

Over the years, the growth rate of Total Private Final Consumption of India has always been the highest as compared to the other top economies in the world.

Total Private Final Consumption Expenditure of India (Current Prices USD Tn) (FY)



Private Final Consumption Expenditure y-o-y growth rate of India (%)



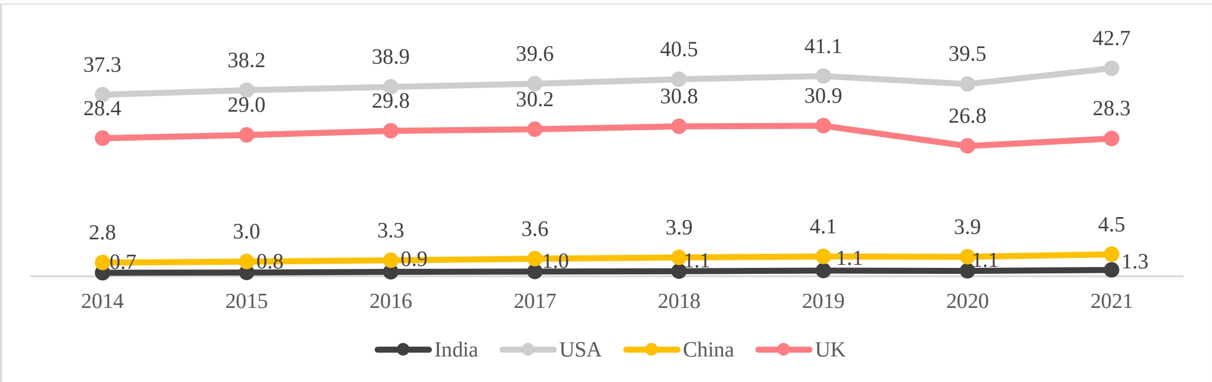
Source: World Bank, RBI, Technopak Research & Analysis

PFCE in India has exhibited varying y-o-y growth rates over the past few years. During FY 18 and FY 19, the PFCE grew by 10.6% and 12.0% respectively, indicating a robust expansion in consumer spending and a sustained momentum in private consumption. However, FY 21 witnessed a significant contraction in PFCE growth, with a y-o-y rate of -1.7% caused by the COVID-19 pandemic. Data for FY 22 estimate a substantial rebound with a growth rate of 17.1%, reflecting the anticipated revival in consumer demand as the economy recovers from the pandemic-induced downturn. With a projected growth rates of 10.5% in FY 25 and 11.5% in FY 27, it is forecasted to have a sustained positive trajectory for PFCE growth rate in India.

Per Capita Final Consumption Expenditure

The Per Capita Final Consumption Expenditure showed a significant growth pre COVID. In FY 20, the average Per Capita Final Consumption expenditure was valued to be around USD 1,141, a steep increase from USD 715 in FY 15. Due to the emergence of COVID-19 in FY 20, there was an approximately 3% drop in the Per Capita Final Consumption Expenditure, to USD 1,110 but it recovered at a rate of 16% to reach USD 1,287 in FY 22.

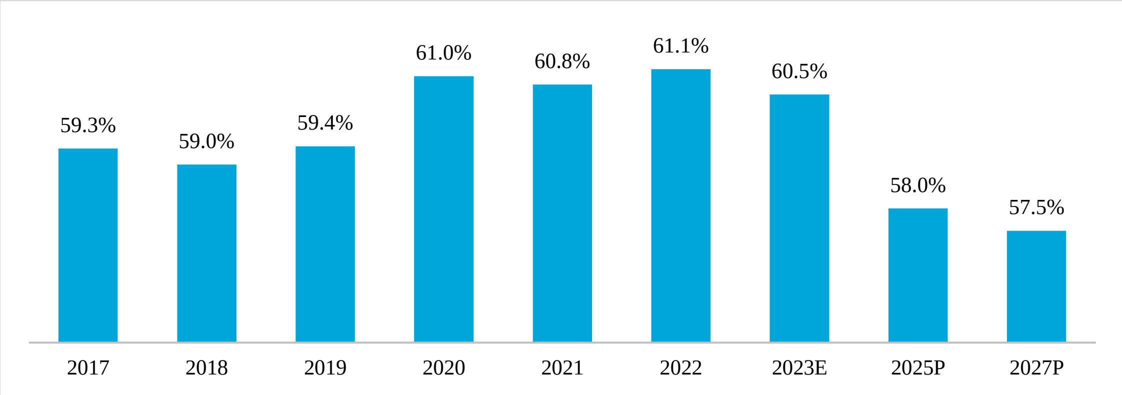
Per Capita Consumption Expenditure in CY (in '000 USD)



Source: RBI, World Bank, Note: Per capita consumption for countries other than India include per capita final consumption expenditure for NPISHs and households
Note: India's per capita consumption is at current prices while for other countries, it is at constant 2015 USD prices.
Note: CY 2014 represents FY 2015 and so on for India.
1USD = INR 80

Private Final Consumption Expenditure to India's GDP

Share of private final consumption expenditure to India's GDP (in %) (FY)



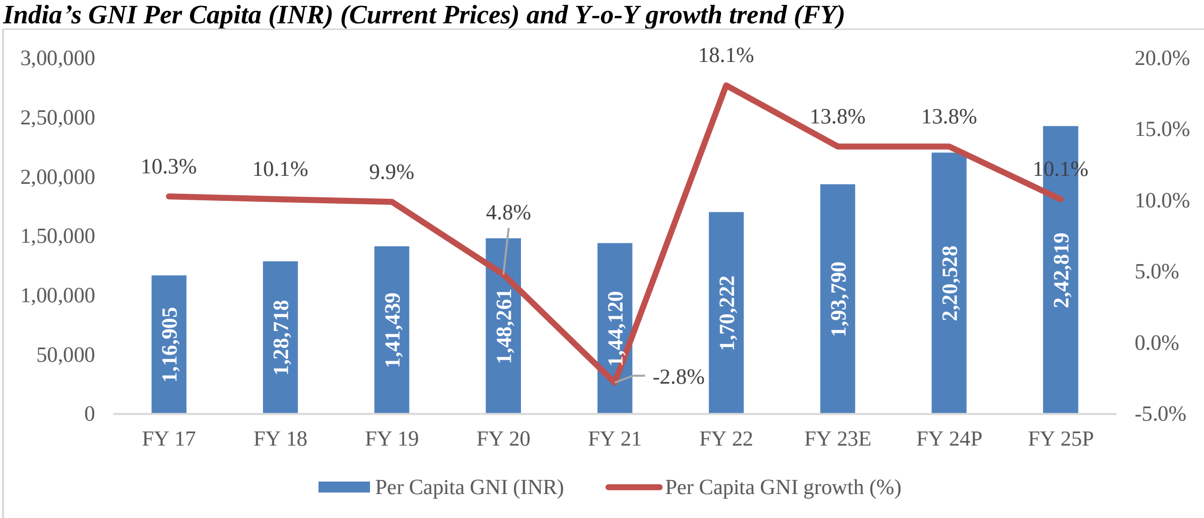
Source: Ministry of Statistics and Program Implementation

A high share of private final consumption expenditure to GDP indicates that the economy is driven by consumer spending, which can be a positive sign for economic growth. However, if the share of private consumption expenditure is too high, it can lead to inflationary pressures and an unsustainable economy. India's share of private final consumption expenditure to GDP has increased over the years and has recorded 61.12% in FY 22 from 59.34% in FY 17. As per Ministry of Statistics and Program Implementation report, the share of India's PFCE to GDP will account for approximately 60.55% in FY 23.

Per Capita Income Growth

Income growth, presented by the GNI (Gross National Income) which is defined as the total amount of money earned by a country's businesses and individuals. India's gross national income growth with a CAGR of ~8% for the period FY 17 to FY 22 and is expected to continue the growth momentum with a CAGR of 12.6% from FY 22 to FY 25. Growing GNI is one of the strongest drivers for higher private consumption trends. The GNI per capita for the top five economies of the world such as the USA (USD 76,370), China (USD 12,850), Japan (USD 42,440), Germany (USD 53,390) and the UK (USD 48,890) is higher for CY 22 than that of India's GNI of USD 2,422 (INR 1,93,790) for a similar period of FY 23.

India's GNI Per Capita (INR) (Current Prices) and Y-o-Y growth trend (FY)

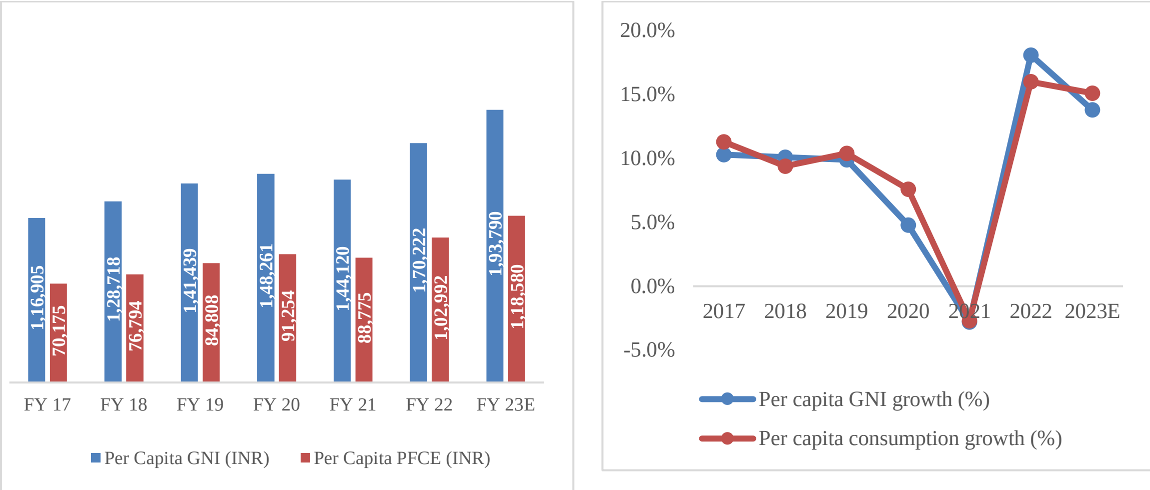


Source: Ministry of Statistics and Program Implementation

Correlation between India's Per Capita income growth to per capita consumption growth

In recent years, India has experienced a significant economic growth, with per capita income increasing from INR 1.16 lakhs in FY 17 to INR 1.70 lakhs in FY 22 and is expected to have reached INR 1.93 lakhs during FY 23. During this period, there has also been a corresponding increase in per capita consumption, as people have more money to spend on a variety of goods and services. The per capita PFCE of India increased from INR 0.70 lakhs in FY 17 to INR 1.02 lakhs in FY 22 and INR 1.18 lakhs in FY23. There is generally a positive correlation between a country's per capita income growth and per capita consumption growth.

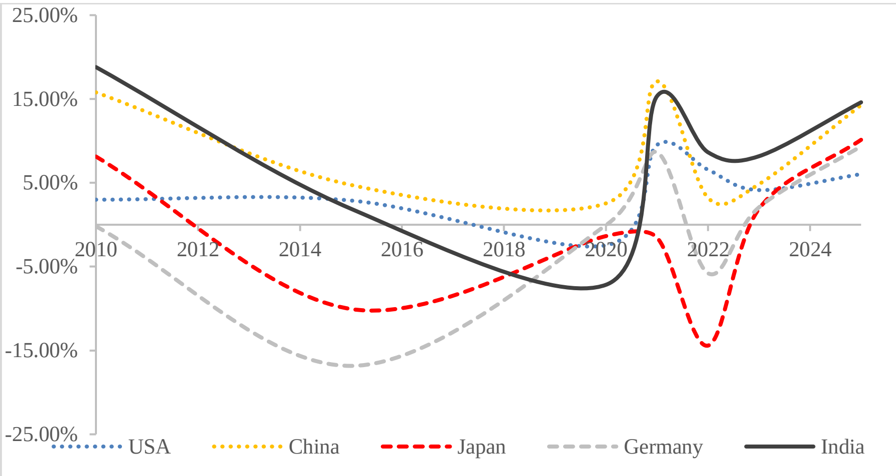
Correlation between India's per capita income growth and per capita PFCE growth (%) (FY)



Source: Ministry of Statistics and Program Implementation

India's Per Capita GDP has almost doubled from year 2010 to 2023. India's per capita income has grown at a CAGR of 6.50% from the period of CY 15 to CY 22 while the per capita GDP for other developed and developing countries such as US, China, Japan and Germany grew at the CAGR of 4.10%, 7.12%, -0.25% and 2.36% respectively over a similar time period of CY 15 to CY 22.

Per Capita GDP growth rate of top 5 economy in the world (US$)



	2010	2015	2020	2021	2022	2023P	2025P
USA	3.0%	2.9%	-2.5%	9.5%	6.6%	4.1%	6.0%
China	15.8%	4.7%	2.6%	17.1%	3.2%	4.8%	14.3%
Japan	8.1%	-10.1%	-1.4%	-1.5%	-14.4%	1.9%	10.1%
Germany	-0.2%	-16.8%	0.0%	8.7%	-5.8%	2.1%	9.4%
India	**18.8%**	**1.9%**	**-7.2%**	**15.3%**	**8.6%**	**8.2%**	**14.6%**

Source: IMF Projection

Sectorial share of Gross value added (GVA)

GVA is the measure of the total value of products and services produced in an economy. GVA is the output produced after deducting the intermediate value of consumption for the product or services. During FY 23, the services sector is estimated for 61.5% of total India's GVA of INR 247.4 lakh crore. With GVA of Rs. 49.6 lakh crore, the industry sector is estimated to contribute 20.0%, while Agriculture and allied sector share 18.4%.

Sectorial share of GVA at Basic Prices (Base Year: 2011-12) Current Prices (INR Lakh Crore) (FY)

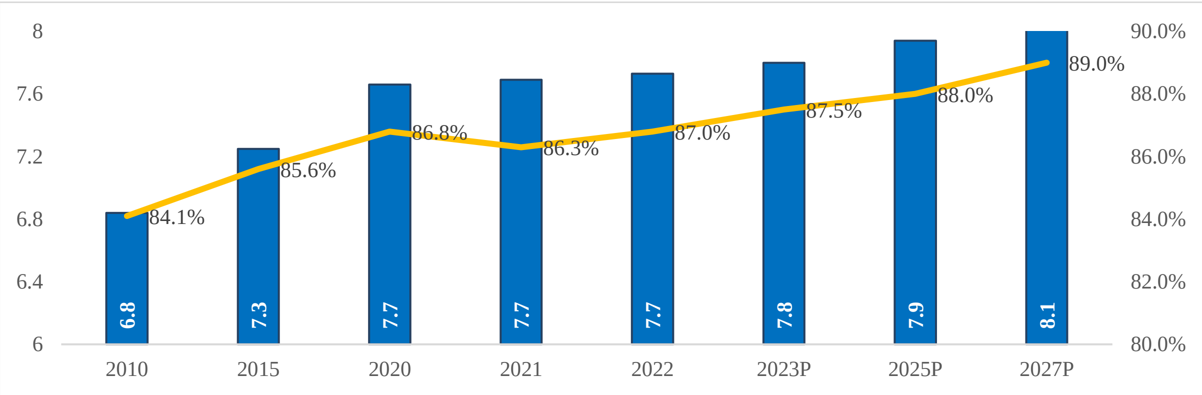
Items/Year	FY 17	Share in %	FY 18	Share in %	FY 19	Share in %	FY 20	Share in %	FY 21	Share in %	FY 22	Share in %	FY 23E	Share in %
Agriculture, Forestry and Fishing	**25.2**	**18.0%**	**28.3**	**18.3%**	**30.3**	**17.6%**	**33.6**	**18.3%**	**36.1**	**20.0%**	**39.8**	**18.6%**	**45.5**	**18.4%**
Industry	**30.2**	**21.6%**	**33.3**	**21.5%**	**36.4**	**21.2%**	**35.6**	**19.4%**	**35.4**	**19.6%**	**44.1**	**20.6%**	**49.6**	**20.0%**
Mining & Quarrying	3.3	2.3%	3.4	2.2%	3.8	2.2%	3.6	2.0%	3.2	1.8%	5.1	2.4%	5.8	2.3%
Manufacturing	23.3	16.7%	25.7	16.6%	28.1	16.4%	27.0	14.7%	27.1	15.0%	33.1	15.5%	36.3	14.7%
Electricity, Gas, Water Supply & Other Utility Services	3.6	2.5%	4.3	2.7%	4.5	2.6%	5.0	2.7%	5.1	2.8%	5.9	2.7%	7.4	3.0%
Services	**84.3**	**60.4%**	**93.5**	**60.3%**	**105.1**	**61.2%**	**114.3**	**62.3%**	**109.1**	**60.4%**	**129.6**	**60.7%**	**152.2**	**61.5%**
Construction	10.8	7.7%	12.0	7.7%	13.5	7.9%	13.7	7.5%	13.2	7.3%	17.2	8.1%	20.2	8.2%
Trade, Hotels, Transport, Communication and Services Related to Broadcasting	25.4	18.2%	28.8	18.6%	32.0	18.6%	34.8	19.0%	28.7	15.9%	35.3	16.5%	44.5	18.0%
Financial, Real Estate & Professional Services	29.1	20.8%	31.3	20.2%	35.3	20.6%	38.8	21.1%	40.5	22.4%	45.4	21.3%	53.0	21.4%
Public Administration, Defence and Other Services	19.0	13.6%	21.4	13.8%	24.2	14.1%	27.0	14.7%	26.8	14.8%	31.7	14.9%	34.5	13.9%
GVA at Basic Prices	**139.7**		**155.1**		**171.8**		**183.6**		**180.6**		**213.5**		**247.4**	

Source: RBI data

Macro-Economic and Overview – Literacy Rate

Literacy rate determines the percentage of the population capable of reading and writing. Literacy is a key element for the economic development of a nation.

The world population (in billion) and Adult Literacy rate (%). (CY)

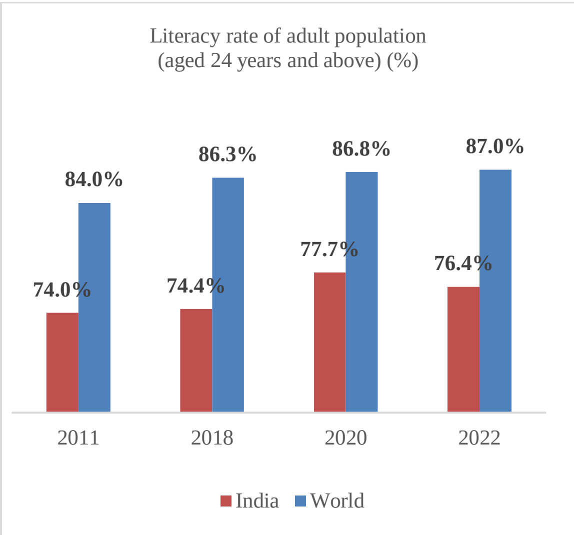


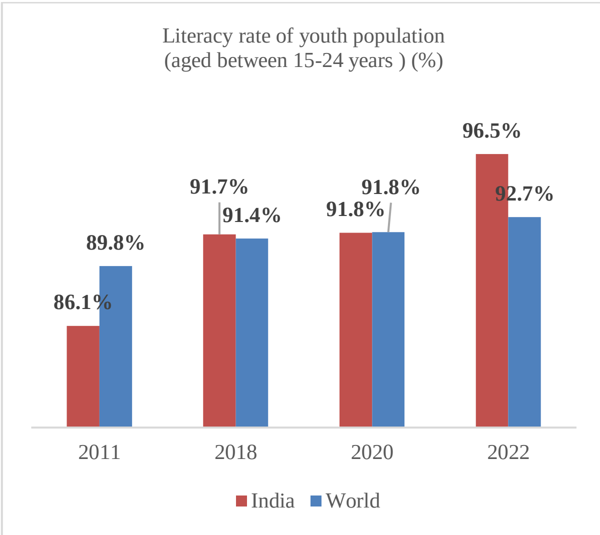
Source: IMF projections

The global adult literacy rate, with people aged 24 years and above, is recorded at 87.0% in year CY 22; steering a minor increase from 86.8% in CY 20. Further, it is expected that the global adult literacy rate would reach 89% by CY 27. The global youth literacy rate with people aged 15 years to 24 years, is recorded at 92.7% in CY 22.

Youth literacy rates are generally higher than the adult literacy rates, reflecting increased access to schools for younger generations.

Literacy rate of India and the World (CY) (adult population & youth population)





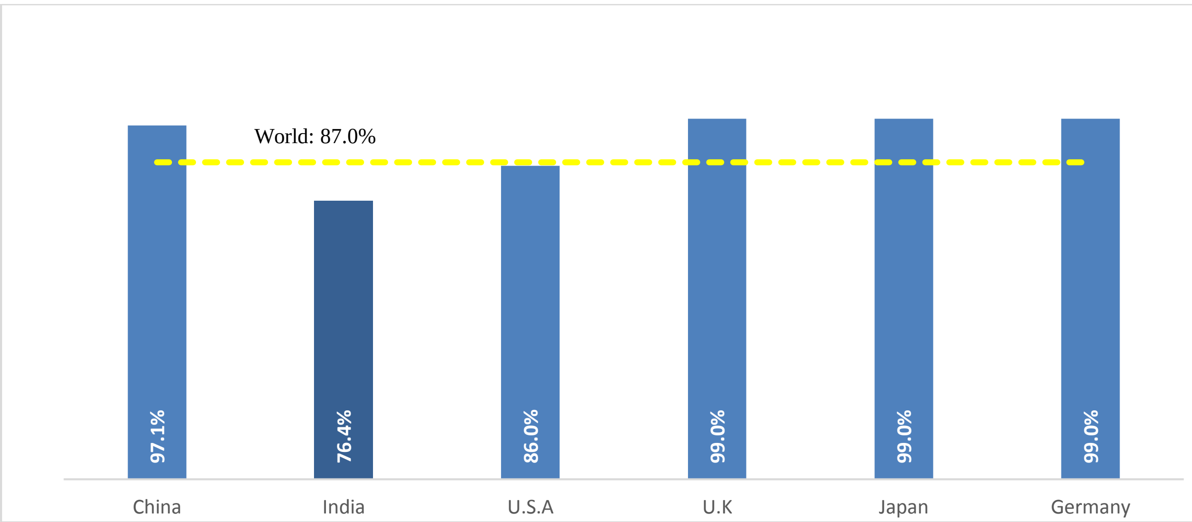
Source: World Bank data, Secondary research

India has made significant progress in improving its literacy rate over the years. The adult literacy rate in India is reported at 76.4% in year CY 22 as compared to 74.0% in CY 11. The youth literacy rate in India is reported at 96.5% in year CY 22 as compared to 86.1% in CY 11.

The adult population literacy rate for the major economy of the world is depicted in the below table. Countries like China, Japan, United Kingdom, and Germany have higher percentage of adult population literacy rate as compared to the global average literacy rate of the adult population of 87.0% in CY 22.

Although India has made significant progress in improving its literacy rate over the years, there is still potential to grow the literacy rate of the nation. The Indian government has implemented several initiatives to increase the literacy rate, such as Sarva Shiksha Abhiyan, Rashtriya Madhyamik Shiksha Abhiyan, National Literacy Mission, Mid-day Meal Scheme etc. This initiative has helped India to increase the literacy rate from approximately 52% in 1991 to 76.4% in FY 23. However, there is still a long way to go to achieve the global average literacy rate.

Adult Literacy rate of key global countries (CY 22)



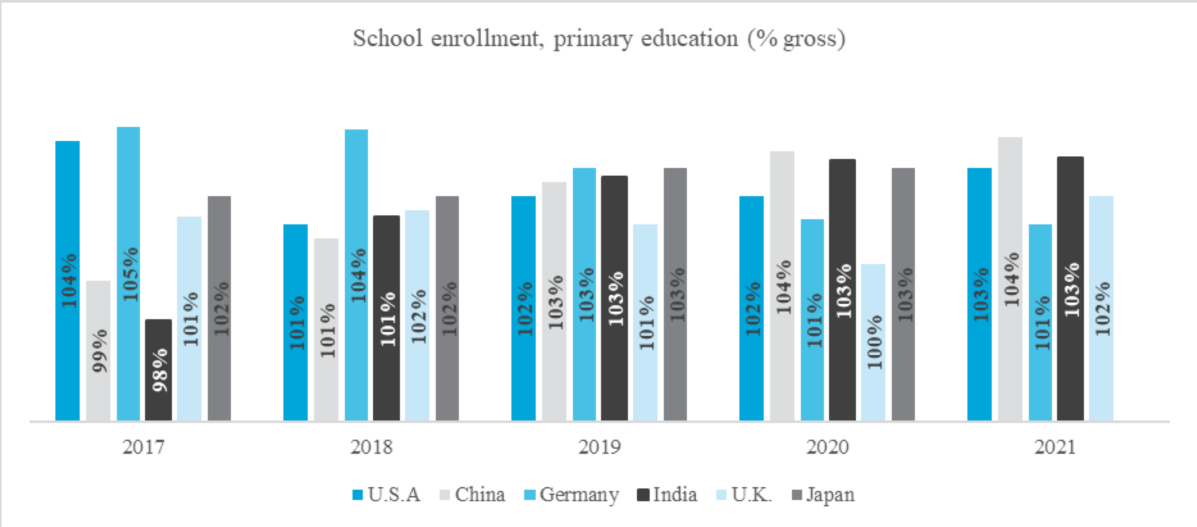
Macro-Economic and Overview – Gross Enrolment Ratio of key global countries – across level of education (Primary Education (Class 1st to 5th); Upper Primary Education (Class 6th to 8th); Secondary Education

(Class 9^{th} & 10^{th}) and Secondary Education (Class 11^{th} & 12^{th})

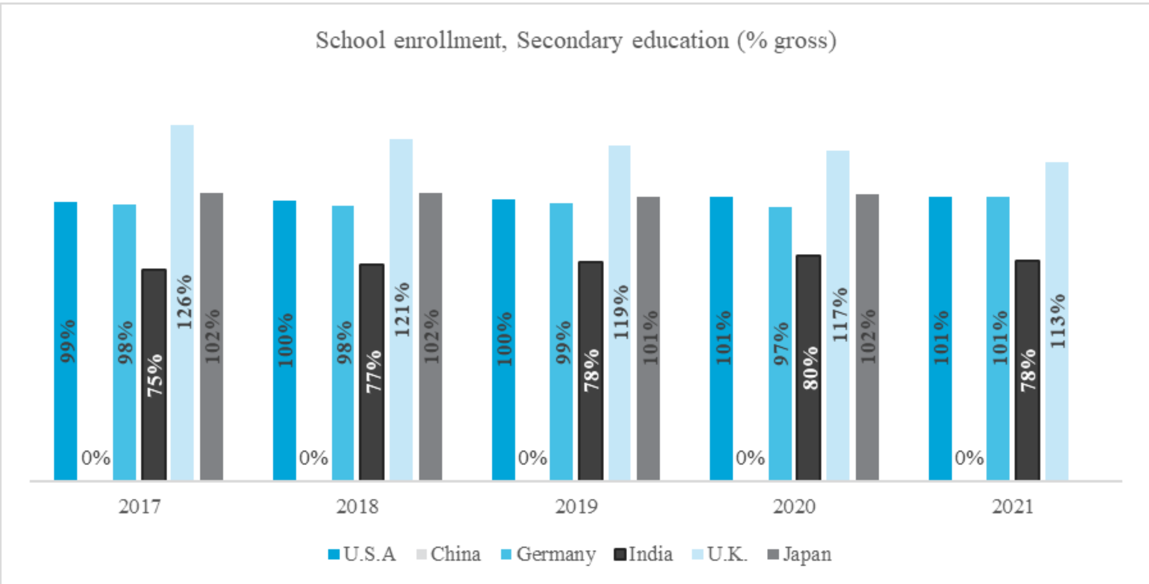
Gross Enrolment Ratio (GER) is an important tool for policymakers and educators, as it provides valuable information on access to education and helps to identify areas where improvements are needed. GER is a measure in education that calculates the percentage of students enrolled in a particular level of education (irrespective of age) compared to the total population of that age group.

India's GER for primary school education has grown from 98% to 103% between FY 18 and FY 22. Among the major economies of the world, the GER for China and India has shown growth between CY 17 to CY 21, whereas the GER of countries like USA and Germany has dropped from 104% to 103%, 105% to 101% for the respective countries.

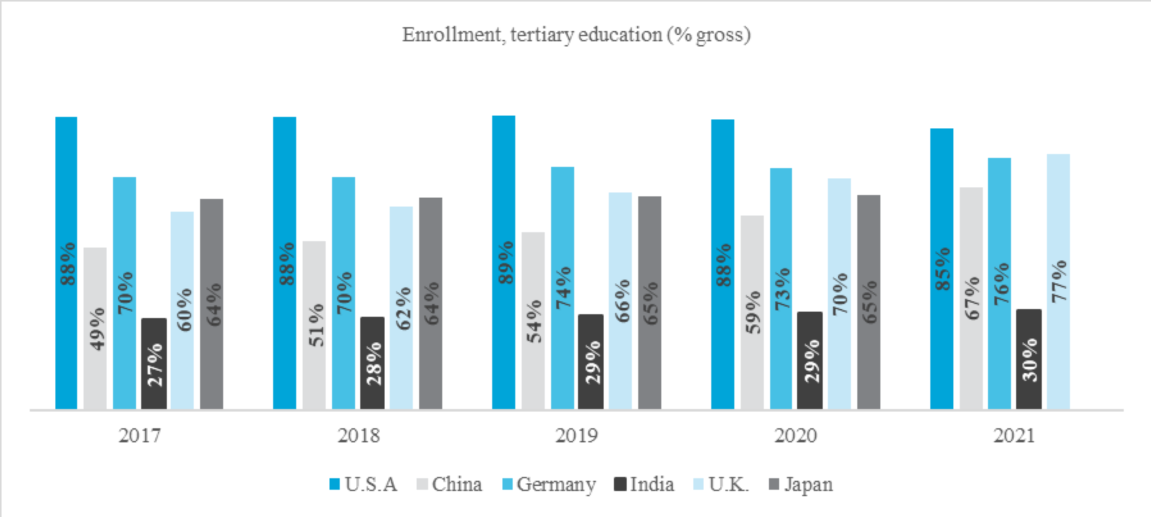
GER of key global countries (CY)



Source: World Bank Data, AISHE Reports, For CY 2021, Data for Japan is not available



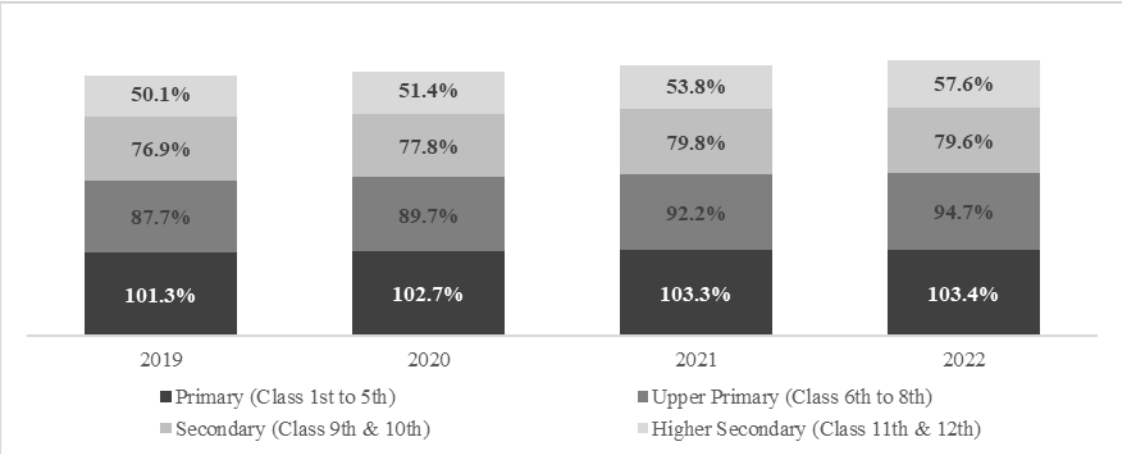
Source: World Bank Data, AISHE Reports, Data for China is not available, and Data for Japan is not available for CY 2021.



Source: World Bank Data, For CY 2021 Data for Japan is not available

Between the period of FY 18 to FY 22, a notable increase of 3% in GER has been recorded in the tertiary education level in India. The growth in GER has been a reflection of various education schemes being run by the Government of India to increase the education level and students' enrolment in the country. Hence, with the rise in the education level and increasing GER, other sectors such as school stationery, paper industry etc. are expected to grow in the coming years.

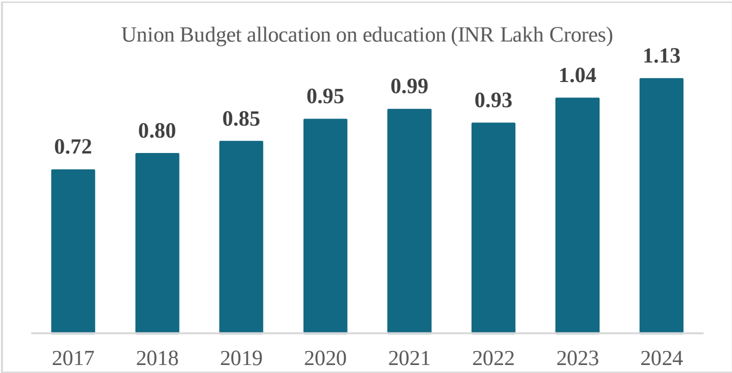
GER of India across different level of education, schools (FY)

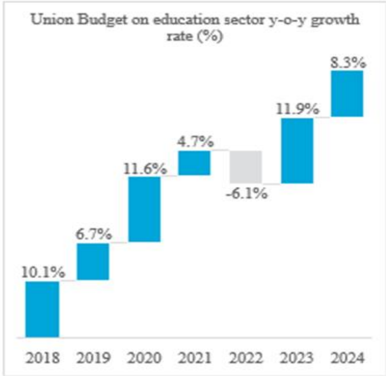


Budgetary allocation and actual Government spend towards education.

The Government of India has allocated a budget of INR 1.13 lakhs crores for the FY 24, for the education sector in India, which has increased by 8.3% compared to the previous year. The allocation for school education has increased by 8% from INR 63,449 crore in FY 23 to INR 68,804 crore in FY 24. Further, INR 44,094.62 crore have been allocated for higher education sector in FY 24, has increased of 7.9% from INR 40,828 crore in FY 23.

Union Budget allocation on education sector (INR Lakh Crore) (FY) and y-o-y growth rate (%)





Source: Union Budget data, India

The percentage of education expenditure of GDP is a measure of people's income being committed to the development of education in the country. The pandemic has mandated additional expenditure on the educational sector in the country. According to the Economic survey of India report FY 23, the total education outlay including both the central and state level expenditures, added up to 2.9% of the country's GDP, which has remained constant over the past few years. However, the National Education Policy, 2020 desired for public expenditure on education to reach 6% of the country's GDP and hence, there is a need for scalable investment opportunities as quality access to education is not consistent throughout the country due to inadequate infrastructure and overwhelming demand.

Government Initiatives on Education Sector

The Government of India has implemented several schemes to increase the education level in the country. Some of the prominent ones are:

- **Samagra Shiksha Scheme**: The scheme is an overarching programme for the school education sector extending from pre-school to class 12. It has been prepared with the broader goal of improving school effectiveness measured in terms of equal opportunities for schooling and equitable learning outcomes. Under this scheme, GOI has approved a financial outlay of Rs. 2,94,283 crores from FY 22 to FY 27. The Samagra Shiksha Scheme subsumed three erstwhile Schemes of Sarva Shiksha Abhiyan, Rashtriya Madhyamik Shiksha Abhiyan and Teacher Education.

  - **The Sarva Shiksha Abhiyan** is a flagship program of the government aimed at providing universal access to education for children aged 6 to 14 years. The program focuses on the provision of quality education, infrastructure development, and teacher training.

  - **The Rashtriya Madhyamik Shiksha Abhiyan** is a centrally sponsored scheme that aims to increase access to secondary education and improve its quality. The program provides financial assistance to states for the opening of new schools, construction of school buildings, and appointment of additional teachers.

- **Pradhan Mantri Poshan Shakti Nirman Scheme (PM POSHAN):** Earlier known as the Mid-day Meal Scheme, PM POSHAN is an initiative designed to enhance the enrolment, retention and attendance and simultaneously improve nutritional levels among school going children studying in Classes I to VIII. The PM POSHAN scheme covers 12 crore children in India and is considered to be one of the world's largest school meal programs. Under this scheme, the GOI had allocated a financial outlay of Rs 12,800 crores for FY 23 and Rs 11,600 crores for FY 24. Out of the FY 23 allocated budget, Rs 12,681.03 crore (~99% of total funds earmarked) had been released by the government and for FY 24 Rs 1,333.48 crores has been released till date.

- **National Education Policy 2020:** This policy aims at reforming Indian education system by ensuring universal access of world-class education at all levels of schooling from pre-primary school to Grade 12, by ensuring quality early childhood care and education for all children between 3-6 years etc.

- **National Scholarship Portal (NSP)**: The NSP is a digital scholarship platform that offers financial assistance to students from economically weaker sections. The scheme covers various scholarships offered by the central and state governments.

- **Beti Bachao Beti Padhao (BBBP)**: The BBBP scheme was launched in 2015 with the objective of improving the sex ratio and promoting the education of girls. The scheme focuses on preventing female foeticide, promoting girl child education, and creating awareness about the rights of the girl child. The GOI has approved a financial outlay of Rs. 1,270 crores from FY 15 to FY 23. Over the past nine years the ministry has spent 60% of the total budget allocated for the scheme.

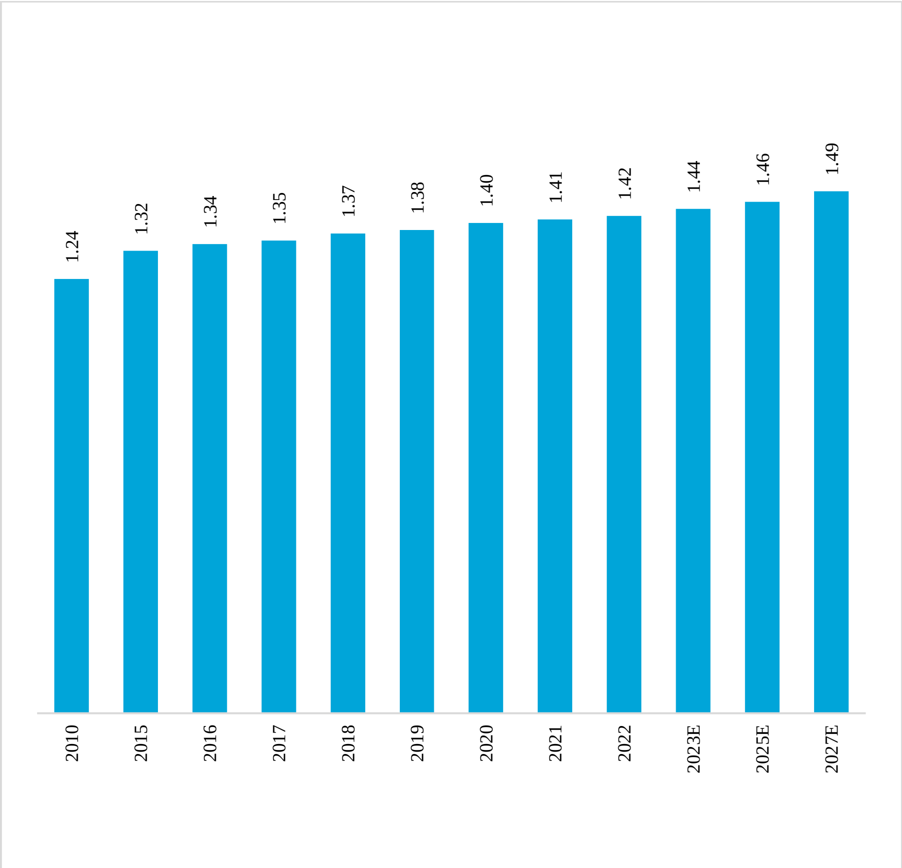
- **Digital India:** Digital India is an ambitious program aimed at transforming India into a digitally empowered society and knowledge economy. The program includes several initiatives to promote digital literacy and provide access to digital resources to students and teachers.

Demographic Profile of India

Indian Population

India's population has been steadily growing over the years. In CY 10, the population stood at 1.2 billion, which reached 1.42 billion in CY 22. India has surpassed China's population in April 2023, thus making the most populus country in the world. Further projections suggest that India's population will continue to increase, reaching 1.46 billion by CY 25 and further rising to 1.49 billion in CY 27.

Population of India (in billion) (CY)

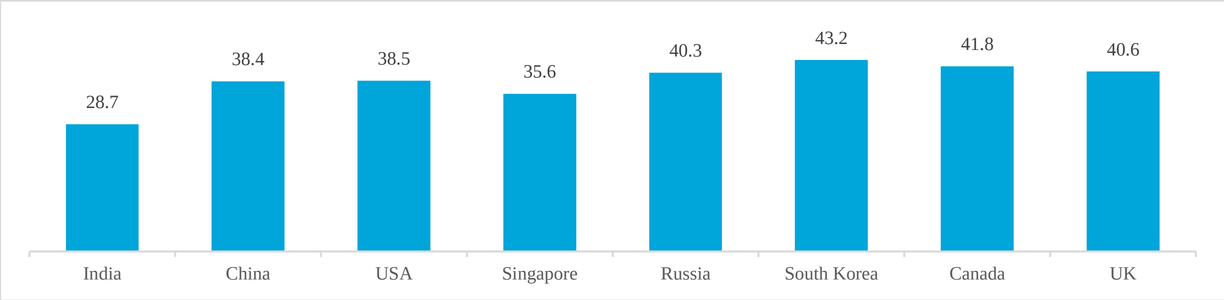


Source: IMF Projection

Age wise Population

India has one of the youngest populations globally compared to other leading economies. The median age in India is estimated to be 28.7 years for FY 2023 as compared to 38.5 years and 38.1 years in the United States and China, respectively, and is expected to remain under 30 years until 2030.

Median Age: Key Emerging & Developed Economies in (CY 2022)

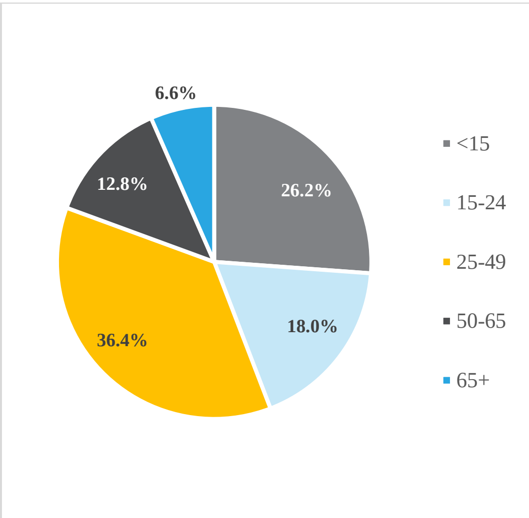


Source: World Population Review, Secondary research

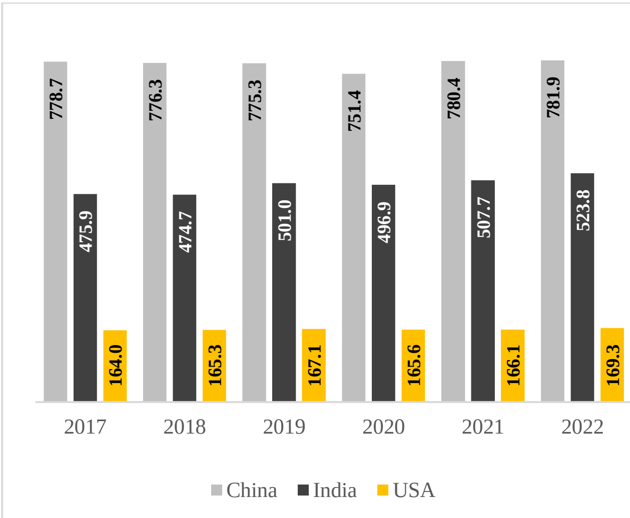
More than 80% of India's population falls below 50 years age bracket.

As of April 2023, India is the most populated country in the world, home to 1.42 billion people which is about one sixth of the world's population. More than 54% of the total population is between the age group of 15 to 49 years while 80% of the population is below 50 years old. This indicates that India's school going children, youth and working age population contribute to the positive demographics. The demand for stationery items is significantly impacted by this population. Approximately one fourth of the country's population is comprised of the age group below 15 years of age which comprise of the school going children.

India's population distribution, by age (%) (FY 2023)



Working population in China, India and U.S.A (in millions) (CY)



Source: Secondary research, Census of India 2011, World Bank, MOSPI

Number of schools and higher educational institutes – historical and outlook

The education system in India is one among the largest compared to other countries in the world. This sector in India is expected to reach at INR 25 trillion by FY 28 from INR ~14 trillion in FY 2023, thus growing at a CAGR of 11.4 % during the forecasted period.

India To Become INR 25 trillion Education Market By 2028

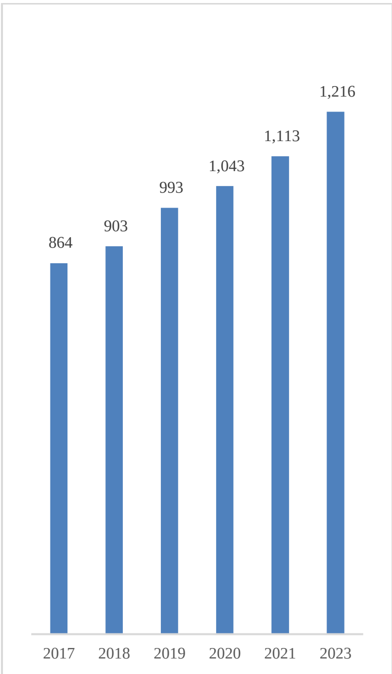
Education has been an important factor in the economic development of a nation. The government runs many programs to promote the education sector in India. With the rising demand for education in India, there has been a tremendous growth in the number of schools, colleges, and other educational institute over the years India.

As per the All-India Survey on Higher Education Report, the number of universities listed has increased from 864 in FY17 to 1,216 in FY23, as per the University Grant Commission data. The number of colleges has increased from 40,026 in FY17 to 43,796 in FY 21 and is expected to reach approximately 49,131 in FY 23.

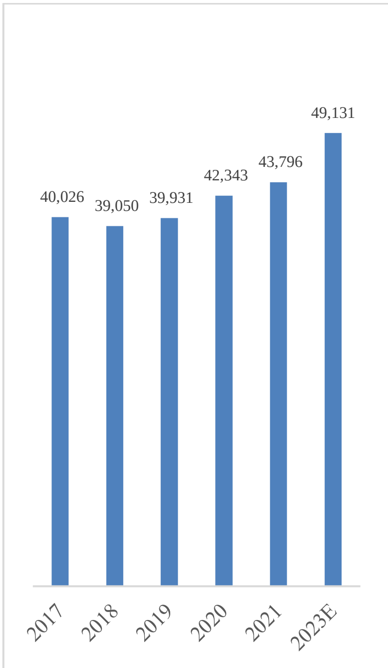
During FY22, the total number of schools in India were approximately 14.89 lakh, as compared to 15.09 lakhs in FY21. This decrease can be attributed to various factors, including the impact of the pandemic, which led to the closure of educational institutions during the nationwide lockdown. Additionally, the grouping of government schools by various states has contributed to the recent drop in the number of schools. This step allows for better coordination, efficient resource allocation, and improved administrative support, leading to enhanced educational outcomes across the country.

Furthermore, the scheme of PM SHRI schools (PM Schools for Rising India) is to be implemented as a Centrally Sponsored Scheme with a total project cost of Rs. 27,360 crores for the period of five years from FY 23 to FY 27. Under the scheme, more than 14,500 schools across the country are to be developed with upgraded infrastructure, innovative pedagogy, and technology.

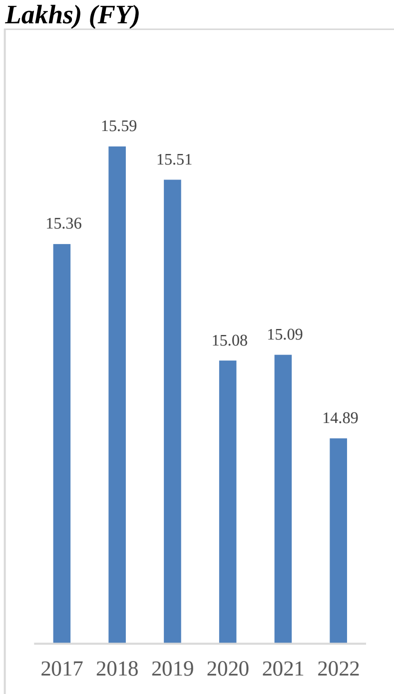
Number of universities in India (FY)



Number of colleges in India (FY)



Number of schools in India (in Lakhs) (FY)



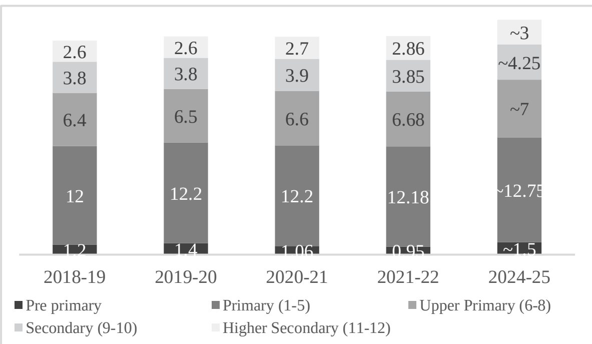
Source: All India Survey on Higher Education Report, UDISE+ Report, UGC, Ministry of Education,

Number of Students –

Across level of education

The total annual student enrolment in higher education has grown considerably from Rs. 3.57 crores in FY 17 to 4.13 in FY 21 and has grown approximately at a CAGR of ~4% during the period. The total number of student enrolment in schools has been constant over the years. Enrolment in colleges and universities across different levels of education except M.Phil. and Certificate has shown a growth over the years.

School Enrolment in India (in Crore) (FY)

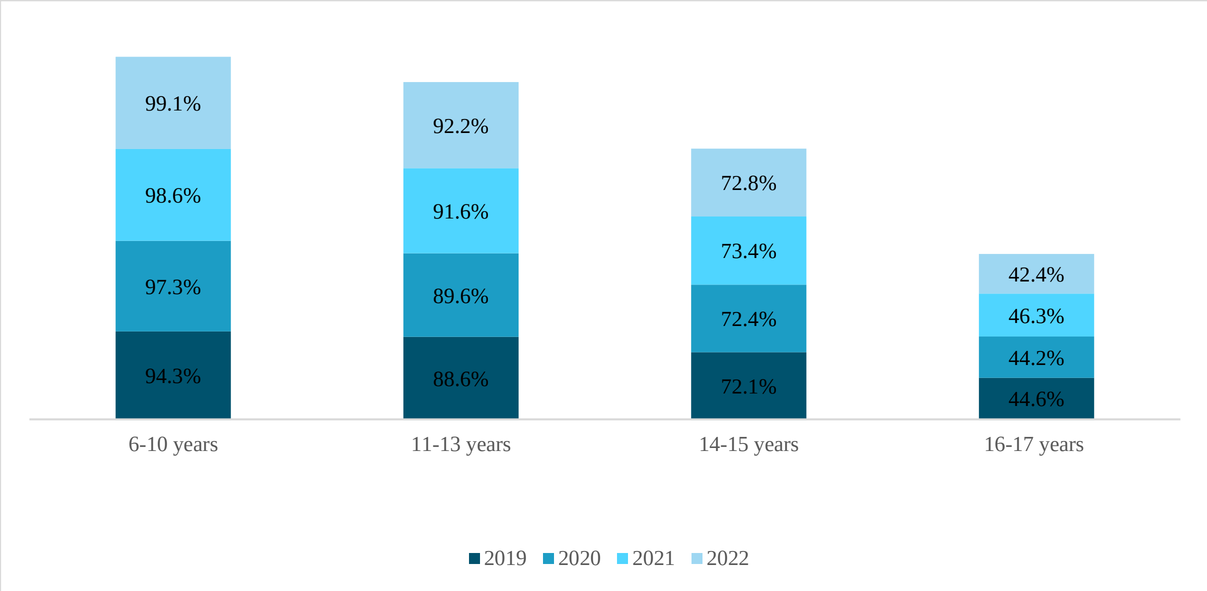


College/ Universities enrolment, in Lakhs (FY)

College/University Enrolment (In Lakhs)	2018-19	2019-20	2020-21	2021-22	2024-25	CAGR (FY 2019-22)
Ph.D.	1.69	2.03	2.12	2.29	~3.5	**10.7%**
M.Phil.	0.31	0.24	0.17	0.15	~0.5	**-21.1%**
Post-Graduate	40.43	43.13	47.17	45.74	~52	**4.2%**
Under-Graduate	298.3	306.5	326.6	331.7	~370	**3.6%**
PG Diploma	2.25	2.17	2.57	2.59	~3	**4.8%**
Diploma	26.99	26.73	29.79	29.75	~33	**3.3%**
Certificate	1.63	1.60	1.56	1.55	~2	**-1.6%**
Integrated	2.41	3.00	3.86	4.38	~8	**22%**

Source: UDISE+, Ministry of Education, GOI, Technopak estimates

Age-Specific Enrolment Rate (%) in India



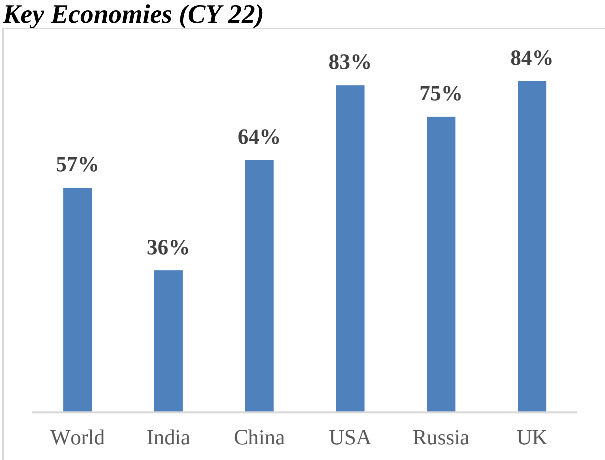
Source: UDISE+ report

Key Characteristics of the Indian Economy

(a) Urbanization

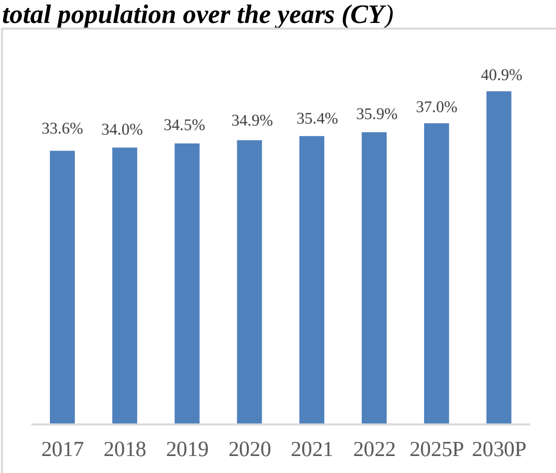
Urbanization is one of the most important pillars of India's growth story as these areas are the core drivers for consumption. India had the second largest urban population in the world in absolute terms at 508 Mn in CY 22, second only to China. However, only 36% of India's population is classified as urban compared to a global average of ~57%. However, it is the pace of India's urbanization that is a key trend fuelling India's economic growth. Currently urban population contributes 63% of India's GDP. Going forward, it is estimated that 37% (541 Mn) of India's population will be living in urban centres by FY 25 and is expected to contribute 75% of India's GDP in FY 25. This trend is expected to continue with approximately 41% and 50% of India's population expected to be living in urban centres by FY 30 and FY 50 respectively. India is the second largest urban system in the world with ~11% of the total global urban population living in its cities.

Urban Population as Percentage of Total Population of Key Economies (CY 22)



Source: World Bank

India's increasing urban population as percentage of total population over the years (CY)

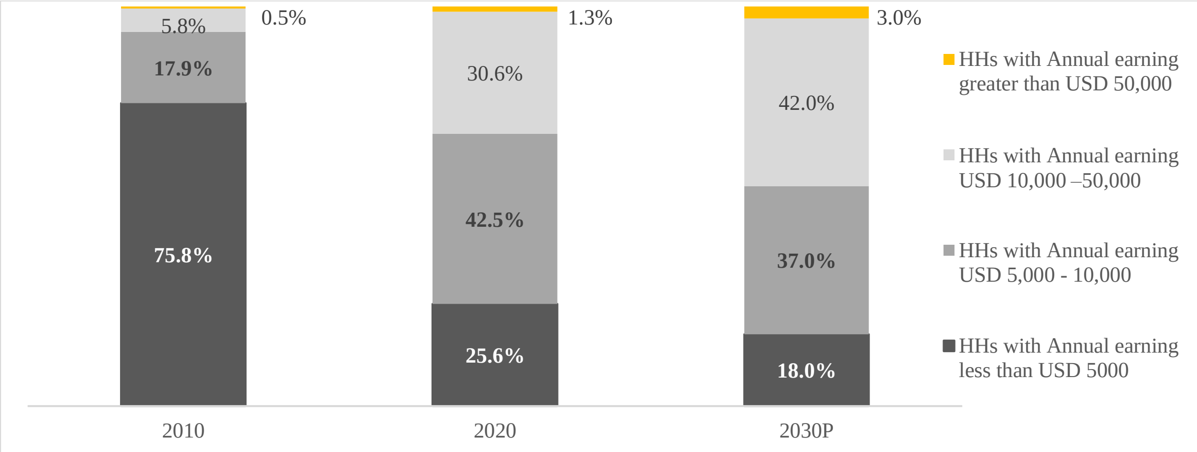


Source: Technopak Analysis

(b) Growing Middle Class

Increase in number of households with annual earnings of USD 10,000 to USD 50,000 will drive the Indian economy by demanding more goods, better services, houses, health, education etc. Households with annual income between USD 10,000 and USD 50,000 forms a minor stake of 5.8% of the total population in FY 10. This share has increased to 30.6% in FY 20 and is expected to continue the growth momentum and increase to 42% of the total population by FY 30. With the growing middle-class sector in India comes an increasing appetite for premiumization and overall consumption of goods and services, construction, housing services, financial services, telecommunication, and retail.

Household Annual Earning Details

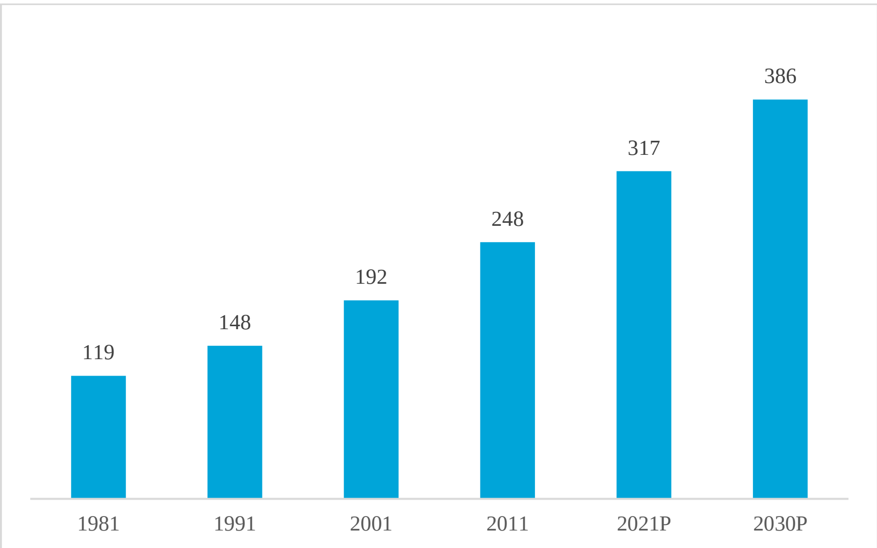


Source: EIU, Technopak Estimates

(c) Nuclearization

The growth in the number of households exceeds population growth, which indicates an increase in nuclearization in India. The average household size has reduced from 5.3 in FY 01 to 4.2 in FY 21 and is further projected to reduce to 3.9 by FY 30. 69% of households had less than five members in FY 11 as compared to 62% in FY 01. Growth in the number of nuclear families is leading to an increase in the number of households, thereby creating a strong demand for housing units and discretionary expenditure in India.

Total number of households in India (In Mn)



Source: Census, Technopak Analysis.
Note: Decadal growth for period 2021-2030P reflects a 9-year period

(d) Women Workforce

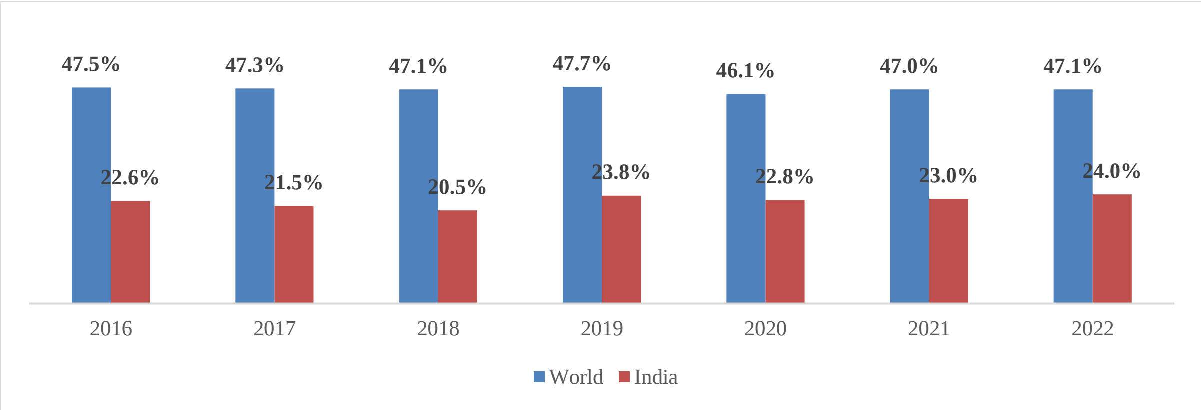
The share of women workforce in the services sector has increased from 17.5% in CY 2010 to 25.1% in CY 2021. This increase of women in the workforce has seen a shift of patterns in terms of household activity, including an upward trend towards purchase of branded products including fashion and lifestyle.

Sector wise split of female employment (CY)

Sector	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Agriculture	67.0%	63.6%	60.0%	59.4%	58.7%	57.9%	57.2%	56.4%	55.5%	54.7%	53.6%	58.2%
Industry	15.5%	17.1%	18.8%	18.4%	18.2%	18.0%	17.7%	17.5%	17.3%	17.4%	17.9%	16.6%
Services	17.5%	19.3%	21.3%	22.2%	23.2%	24.1%	25.1%	26.1%	27.2%	28.0%	25.7%	25.1%

Source: World Bank Data

Labor workforce participation rate, world & India (% of female population 15+ years age) (CY)



Source: World Bank Data

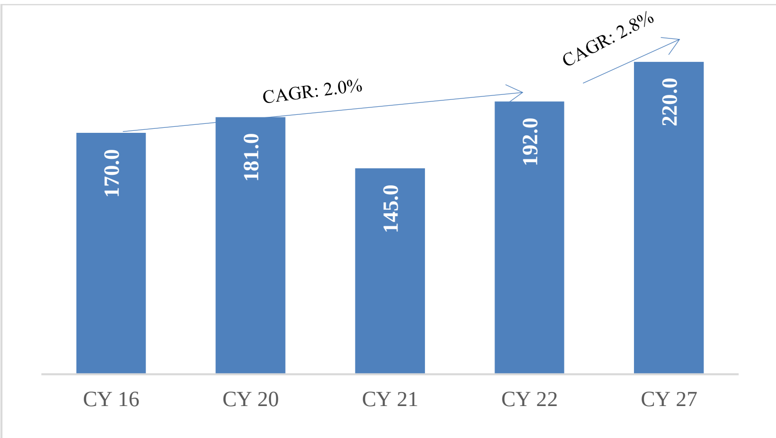
As per the World Bank report, the percentage of Indian women labour force above 15 years of age has observed a slight increase from 22.6% in the year 2016 to 24.0% in 2022. With the increase in the percentage of women participating in the workforce, it can lead to increased household income and economic growth overall. With greater financial resources, families may be more likely to spend money on higher quality goods and services, such as education, healthcare, and childcare. This could have a positive impact on the well-being and development of individuals and communities.

GLOBAL STATIONERY AND ART MATERIALS MARKET

Global Perspective of Stationery and ART Materials Market

The stationery and art materials industry deals in a wide range of products & categories, comprising paper products, writing instruments, computer stationery, school stationery, office stationery, stationery adhesives and art & craft products among others. The global market was valued at approximately USD 192 billion in CY 22 and expected to reach a market size of USD 220 billion by CY 27, registering CAGR of approximately 2.8% during the forecasted period, as compared to 2.0% from CY 16 to CY 22.

Global market size for the stationery product market (USD billion)



Source: Technopak Analysis

Asia Pacific holds the dominant share of the stationery and art materials product market followed by North America. In the year 2020, Asia and North America combined captured approximately 60% to 62% of the market for stationery products. The market share of these regions has increased over the two years and is estimated to capture approximately three fourth (~75%) of the global stationery and art materials market in the year 2022. The U.S. accounted for approximately one third of global stationery and art materials market size in 2022 and China captured approximately 28% of the global market size for the stationery products. Germany has reported approximately 10% of the global stationery and art materials market share, Japan contributed approximately 7% to the global market followed by India and Canada which constituted approximately 2.4% and approximately 2% of the global stationery and art materials market respectively.

Over the past years, the stationery & art materials market has been shifting towards Asian countries. The region is expected to have the largest contribution to the global stationery and art materials industry by CY 27. Countries like China, Japan, India, South Korea etc. are emerging as key players in the stationery and art materials market in Asia, with a large number of manufacturers, exporters, and suppliers in the region, expecting to contribute over 50% of the global stationery and art materials market by CY 27. This trend is largely due to the rise of Asia as a major economic powerhouse and the growing demand for affordable and high-quality stationery products.

The COVID-19 pandemic has driven the increased need for remote work and online schooling, as a result, the demand for laptops, desktops, tablets, smartphones, and other electronic devices have increased during the period. This increase in digitization has aided in the growth of conventional stationery and art materials industry. With online learning students have access to a wide range of learning resources and tools, students are now spending more time in self-studying, drawing, colouring, and doing other hands-on activities. Therefore, it has also sparked a greater interest in creativity and self-expression, leading to a higher demand for stationery supplies like pen, pencils, notebooks, paints, sketchbooks, markers, brushes etc.

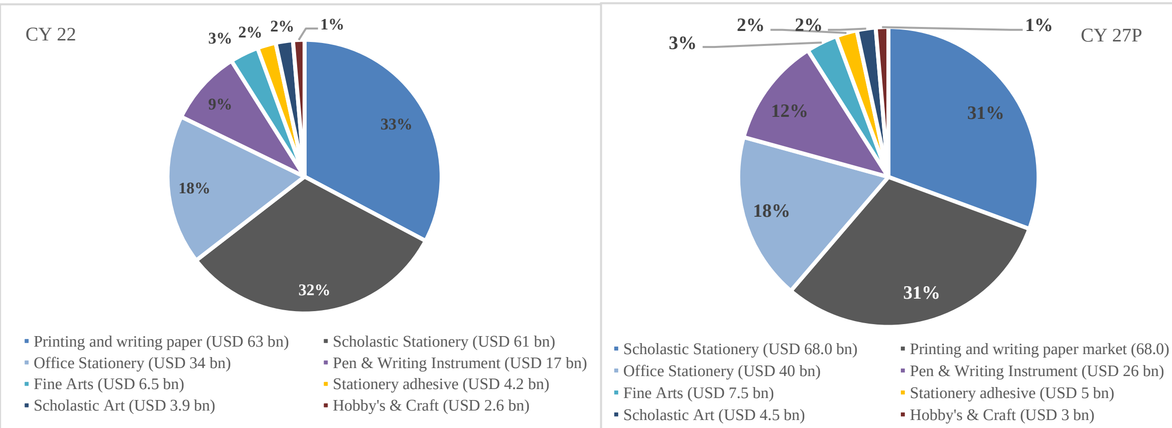
Furthermore, in countries like India, as digitalization is on the rise, conventional stationery continues to play a significant role. While advancements in technology have influenced various aspects of daily life, including communication, education, and work processes, it is important to acknowledge that traditional methods of using physical stationery items such as pens, paper, notebooks, notepads, art & craft products etc. are still widely used and preferred by many individuals, students, businesses, and artists in India. Factors such as accessibility, cultural preferences and affordability contribute to the continued prevalence of conventional stationery in the country.

BREAK UP INTO PRODUCT CATEGORIES.

The global stationery and art materials market is classified into several categories including scholastic stationery, office stationery, pen & writing instruments, stationery adhesives, scholastic art, fine arts, hobby's & craft, and printing and writing paper stationery.

In CY 22, the Printing and Writing Paper sector dominates the global stationery and art materials market with approximately 33% market share, while the Scholastic Stationery sector follows closely with around 32% share. Moving forward, these two categories are projected to hold an equal share of around 31% each by CY 27. The Pen & Writing Instrument segment, on the other hand, is expected to experience substantial growth, increasing its market share from 9% in CY 22 to 12% by CY 27. The market share for the above categories for CY 22 and the projected share in CY 27 is presented in the below chart.

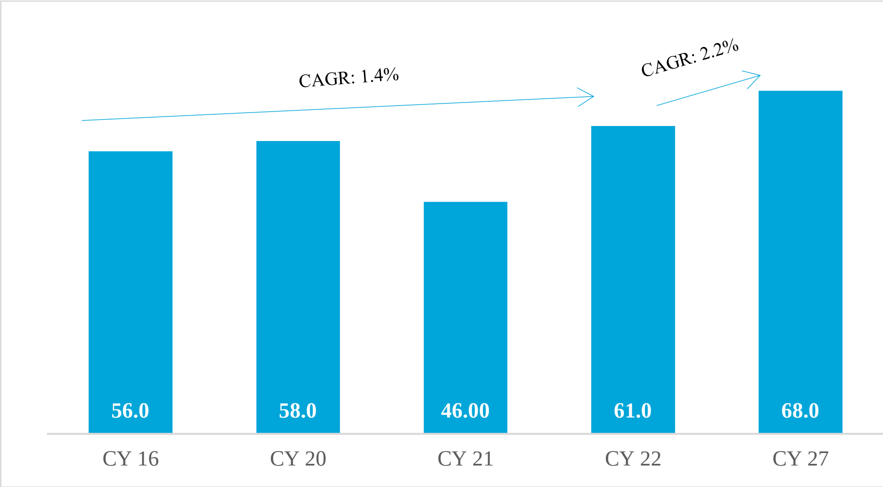
Share of global stationery and art materials market categories (%) in CY 22 and CY 27P



Source: Technopak Analysis

- **Scholastic stationery**

Market size for the global school stationery product market (USD bn)



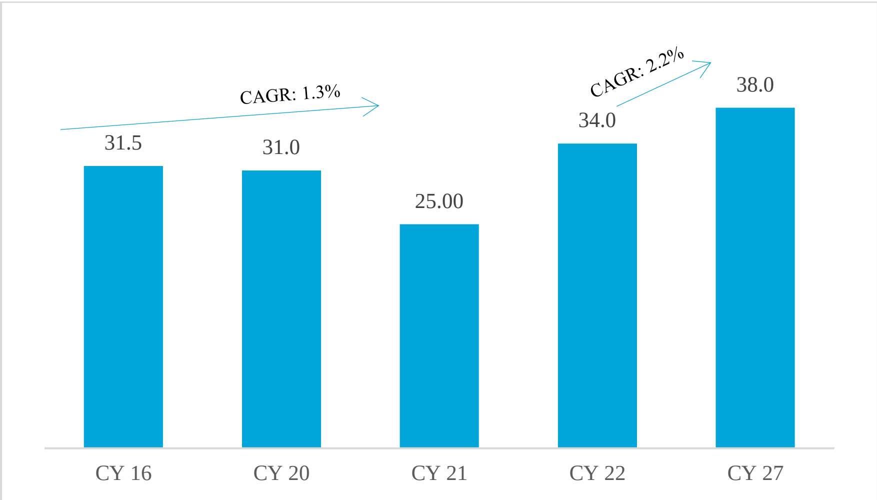
Source: Technopak Analysis

School stationery is an integral part of the education system and has been an essential tool for students of all age groups. School stationery items majorly include, erasers, sharpeners, sketch pens, pencil cases, etc.

The global school's (scholastic) stationery product market was valued at USD 61 billion in CY 22. The market is expected to grow at a CAGR of 2.2% during the period CY 22 to CY 27 and is expected to reach approximately USD 68 billion by CY 27. The growth of this market can be attributed to factors such as the increasing population, education rate, government policies towards education, and evolving digitalization trends that has aided in the growth of conventional stationery and art materials industry as students are now spending more time in self-studying, drawing, colouring, and doing other hands-on activities.

- **Office stationery**

Market size for the global office stationery product market (USD bn)



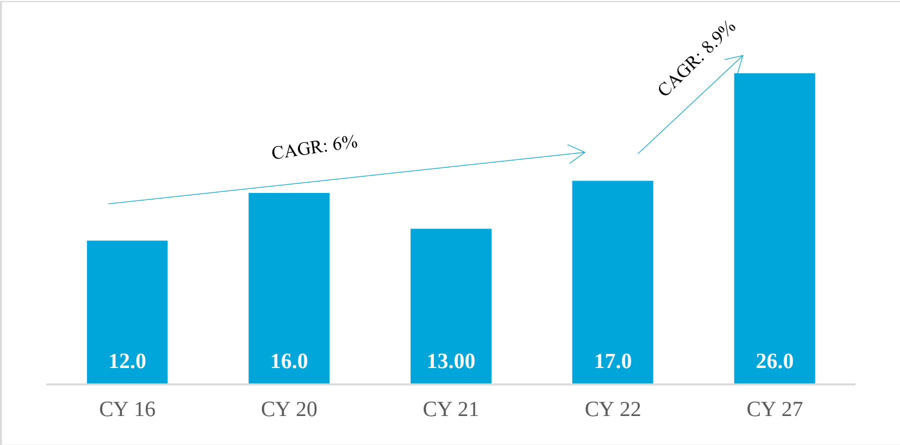
Source: Technopak Analysis

Office stationery products are stationery products that are primarily used in the workplace to carry out or perform regular day to day activities. It comprises of everyday consumable items such as staplers, punching machine, sticky notes, paper clips, pen cups, notepads etc. The driving factors for the growth of the office stationery market majorly includes the increase in number of corporate offices across the globe, and increase in working population, especially in the developing nations like India.

However, with the market scenario gradually stabilizing post COVID, the office stationery market is projected to witness a consistent growth in the near future. The global office stationery product market was valued at USD 34 billion in CY 22 and expected to reach USD 38 billion by CY 27, thus growing at a CAGR of 2.2 % during the forecasted period compared to a CAGR of 1.3% during CY16 to CY22.

- **Pen and Writing Instruments stationery.**

Market size for the global writing instrument (USD bn)



Source: Technopak Analysis

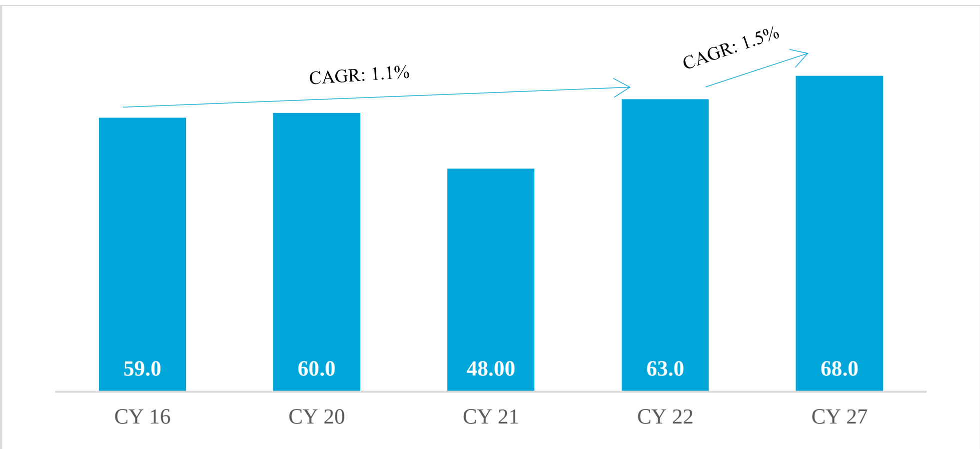
The writing instruments category is segmented as pencils, oil-based ball pen, water-based ball pen, fountain pens, gel pens, markers, highlighters, and others.

The global writing instrument product market was valued at USD 17 billion in CY22 and expected to reach a market value of approximately USD 26 billion by CY27, thus growing at a CAGR of 8.9 % between CY22 and CY27, compared to a CAGR growth of 6% from CY16 to CY21.

As the student and working professionals increase, the demand for writing instruments is projected to experience sustained growth in the coming years. Moreover, the premium segment of writing instruments has made its way into the corporate gifting segment, further aiding demand.

- **Paper Stationery (Printing and Writing Paper)**

Market size for the global printing and writing paper market (USD bn)



Source: Secondary Research

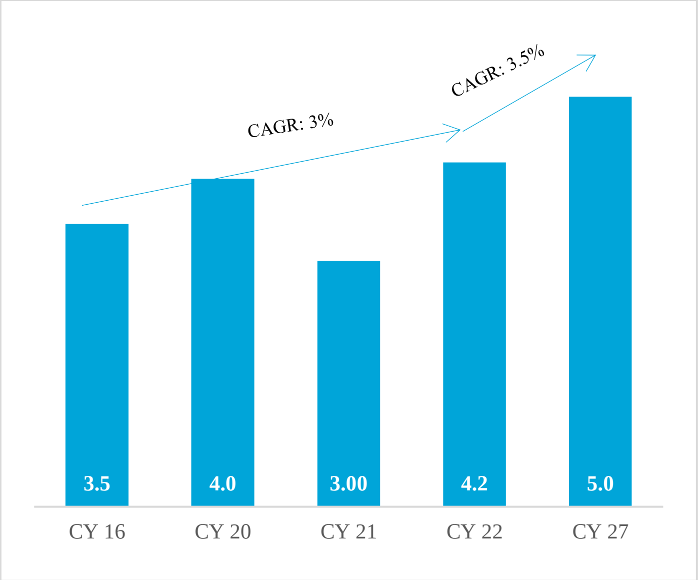
The global printing and writing paper market size was valued at USD 63 billion in CY22 and projected to reach at USD 68 billion by CY27, expecting a CAGR of 1.5% between CY22 and CY27.

China and the U.S. are the world's two major paper producing countries. While paper production in the U.S has decreased over the last decade, it has increased dramatically in China. The countries with the highest volumes of printing and writing paper consumption in 2021 were China (~23M tonnes), the United States (~12M tonnes) and Japan (~6.5M tonnes), with a combined 47% share of global consumption.

The Indian paper market accounts for approximately 5% to 6% of the world's paper production and the per capita consumption of paper in India is around 15 kg, as compared to that of the global average of 57 kg.

- **Stationery Adhesives**

Stationery adhesive product market size (USD bn)



Source: Secondary Research

The stationery adhesives are a variety of glues made just for use at home, office or school. It consists of a wide range of product such as glue sticks, rollers, tapes, and others. The global stationery adhesives market size was valued at USD 4.2 billion in CY 22 and projected to reach USD 5 billion by CY 27, thus growing at a CAGR of 3.5% during the forecasted years.

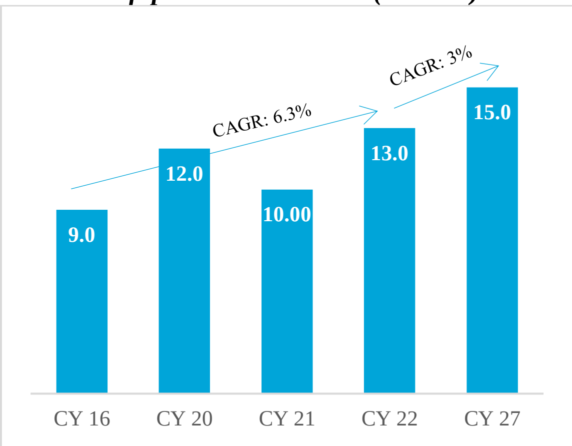
The global stationery adhesive market is projected to showcase tremendous growth in the coming years. This is thriving on the back of an escalating education sector and rising demand for office stationery. With increasing number of student enrolment in schools and colleges, the developing requirement for school stationery and related supplies will push the prospects for growth in the adhesive stationery market as well.

- **Art and craft stationery products**

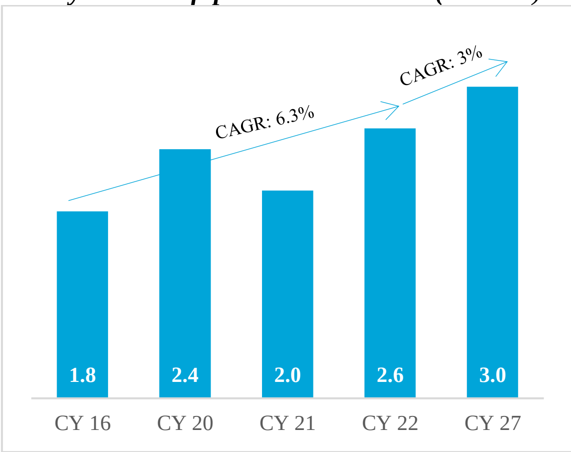
The art and craft stationery products market are divided into paintings and drawing, paper crafts, kid's crafts, crayons, scholastic art material and other art & craft supplies. The global market size was estimated at USD 13 billion in CY 22 and projected to reach the value of approximately USD 15 billion by CY 27, thus exhibiting a CAGR of 3.0% over the period.

The Arts & crafts stationery can be further categorised into Scholastic arts, fine arts, and hobby's & craft. Hobbies and craft products encompass a wide range of items that are used for recreational activities, creative projects, and DIY endeavours. The global hobby's & craft product market size was estimated at USD 2.6 billion in CY and is expected to grow at 3% CAGR, reaching a value of USD 3 billion in CY 27.

Arts & Craft product market size (USD bn)



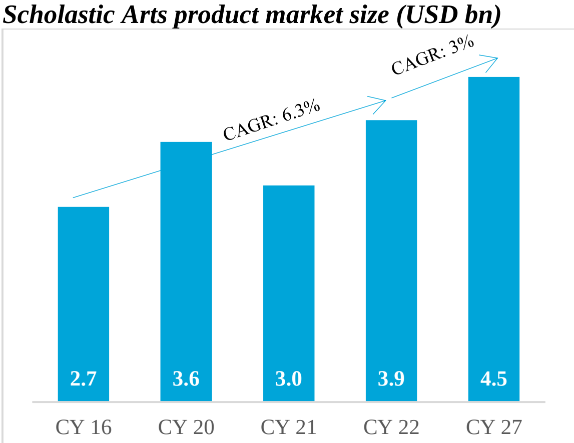
Hobby's and craft product market size (USD bn)



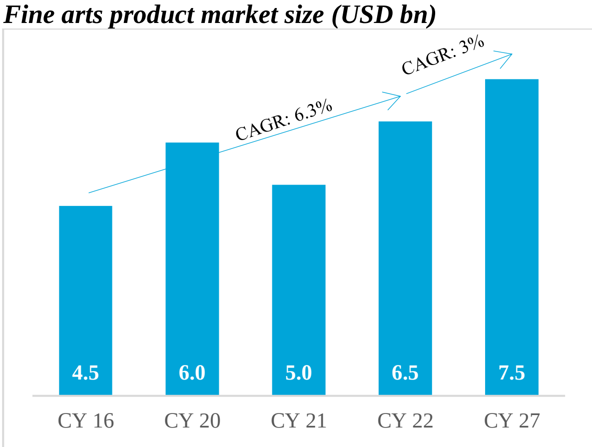
Source: Secondary Research

Scholastic arts products are specifically designed for educational purposes and aimed at promoting creativity and artistic development in students. These products are commonly used in schools, art classes, and other educational settings. Some examples of Scholastic arts products include drawing pencils, coloured pencils, markers, pastels, sketchbooks. Fine arts products are geared towards professional artists, hobbyists, and enthusiasts who engage in fine arts as a creative pursuit. These products cater to a higher level of skill and are often used for personal expression, exhibitions, or artistic endeavours.

Scholastic Arts product market size (USD bn)



Fine arts product market size (USD bn)



Source: Secondary Research

The global scholastic arts products and fine arts products market was valued at USD 3.9 billion and USD 6.5 billion respectively in CY 22 and is expected to reach USD 4.5 billion and USD 7.5 billion respectively by CY 27, thus exhibiting a CAGR of 3% during the forecast period.

CONSUMER TYPE AND THEIR DEMAND FOR STATIONERY AND ART MATERIALS

The usage of stationery and art materials has shown an upsurge as people of all ages are increasingly using the products for their personal and professional purposes. The target consumers for the stationery and art materials market varies depending on the specific type of in the market. In general, the main target consumers at an individual level, for the stationery and art materials market includes students, office going population, artists, craft persons etc.

With an increasing number of schools being built, the education sector is rapidly becoming an important target group for stationery retailers while students are the major target segment for scholastic stationery products, including notebooks, pencils, erasers, markers, pens, and other writing instruments. Office going population are the target consumers for office stationery products, including items such as pens, refills, inks, notepads, staplers, and other office supplies. Artists, including hobbyists and professionals, are the target segment and major consumers for sketchbooks, coloured pencils, art markers and premium and high value fine arts stationery products. Further, consumers who enjoy crafts and DIY projects are also a target market for stationery products, including items such as stickers, washi tape, and decorative paper.

Stationery and art material product demand by age group

Stationery and art material products are generally used by the population of all age groups. The consumers of stationery and art material products can be divided into 5 age groups basis their requirements

Children (Aged less than 12 years): Population size ~0.9 billion (11.7% of world population) Children in this age group primarily consume scholastic stationery, paper stationery, and other art & craft stationery products such as pencils, erasers, coloured pencils, crayons, markers, rulers, and notebooks, art & crafts papers, and other tools. They may also be interested in fun-shaped erasers or pencil cases featuring popular cartoon characters or superheroes.

Teenagers (Aged 13-19): Population size ~1.7 billion (21.7% of world population) Teenagers may have more specific needs depending on their interests and activities. They need items such as highlighters, markers, mechanical pencils, notebooks, and planners for schoolwork. They are also be interested in art supplies such as paints, sketchbooks, and drawing pencils. Additionally, some teenagers may be interested in journaling, so products such as journaling notebooks and pens is also popular among this age group.

Young adults (Aged 20-29): Population size ~1.15 billion (14.8% of world population) Young adults are the consumers of both scholastic and office stationery products for studies, work and personal use. They require items such as pens, notebooks, planners, highlighters, sticky notes, and paper clips for work or school. In their personal lives, they may purchase greeting cards, thank you notes, and personalized stationery for writing letters or notes.

Middle-aged adults (Aged 30-59): Population size ~2.95 billion (38% of world population) Middle-aged adults are the large consumers for office stationery products, depending on their professions and personal lives. They may require items such as pens, papers, notepads, planners, glues and sticky notes, and presentation folders for work-related activities. For personal use, they may be interested in writing pads, journals, and personalized stationery for writing notes, letters, or invitations.

Seniors (Aged 60+): Population size ~1.07 billion (13.8% of world population) Seniors may have specific stationery needs related to hobbies or personal interests. They may require items such as pens, pencils, journals, and notepads for writing or keeping track of their daily activities. Additionally, they may be interested in scrapbooking supplies, photo albums, and specialized stationery for creating handmade cards or invitations.

Demand for stationery and art material products by different age groups

Stationery product category	Children (Aged 5-12)	Teenagers (Aged 13-19)	Young adults (Aged 20-29)	Middle-aged adults (Aged 30-59)	Seniors (Aged 60+)
Scholastic stationery	✓	✓	✓		
Office stationery			✓	✓	
Pens & Writing Instrument		✓	✓	✓	✓
Paper stationery	✓	✓	✓	✓	✓
Adhesives stationery		✓	✓	✓	✓
Scholastic art material	✓	✓			
Fine art products		✓	✓	✓	✓
Hobby and craft	✓	✓	✓	✓	✓

Stationery and art material product demand by level of education

The demand for stationery and art material products can vary depending on the level of education of the consumers. For example, the demand for stationery products at preschool or kindergarten level may include stationery products such as crayons, markers, coloured pencils, finger paints, construction paper, etc. In addition to the items listed above, the elementary school students also require notebooks, pencils, erasers, rulers, pencil sharpeners, folders, and binders etc. Further, the middle school and high school students require more advanced stationery products such as graph paper, calculators, protractors, compasses, highlighters, and pens. College going students require more specialized stationery products such as textbooks, lab notebooks etc.

Demand for stationery and art material products by education level

Stationery product category	Preschool/ Kindergarten	Elementary School (Class I – V)	Middle School/ Junior High School (Class VI – X)	High School (Class XI – XII)	College/University
Scholastic stationery	✓	✓	✓	✓	✓
Office stationery				✓	✓
Pens & Writing Instrument			✓	✓	✓
Paper stationery			✓	✓	✓
Adhesives stationery		✓	✓	✓	✓
Scholastic art material	✓	✓	✓	✓	
Fine art products				✓	✓
Hobby and craft	✓	✓	✓	✓	✓

The demand for stationery and art material products increases as the level of education of the consumers increases because as students progress through their education, they require more advanced and specialized stationery products.

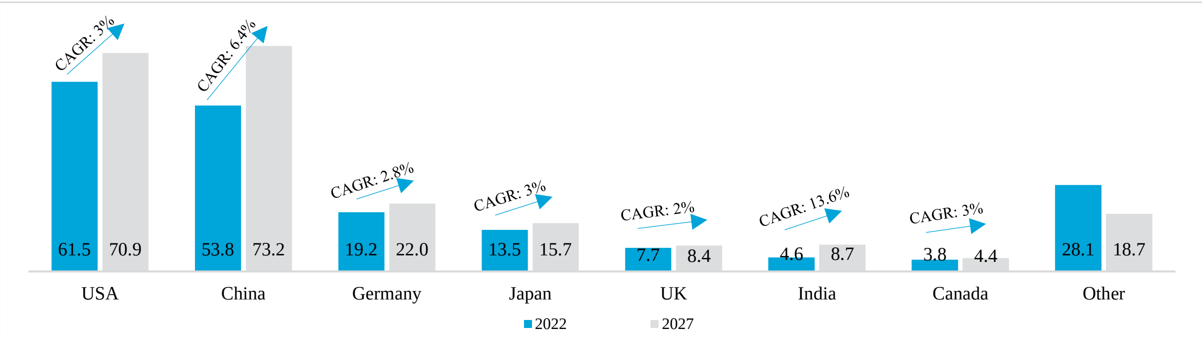
Corporate demand/ B2B demand for stationery products

The office stationery and supplier B2B market is expected to grow by USD ~4 billion during CY 22 to 27, thus expecting to grow at a CAGR of 2% during the period. The demand for stationery products in the corporate or B2B (business-to-business) sector can be significant, as businesses and organizations of all sizes require stationery products for various purposes such as business cards, letterhead and envelopes, notepads and sticky notes, pens and pencils, file folders and binders, presentation materials and other accessories such as staplers, tape dispensers, and paper clips etc. The demand for these stationery products can vary depending on the size and type of the business, as well as the industry it operates in. For example, some industries such as education or healthcare may have higher demand for stationery products than others. Also, demand for stationery products would grow rapidly in developing countries like India, where the number of educational institutes, corporates and office are increasing.

GEOGRAPHICAL BREAKUP OF THE GLOBAL STATIONERY AND ART MATERIAL INDUSTRY

Asia Pacific is projected as one of the prominent markets for stationery products throughout the forecasted period of CY 22 to CY 27. Asia is the biggest stationery and art materials market based on its consumption of over 40% of the total global stationery and art materials market. Countries like China, Japan and India are key players in the stationery and art material market in Asia, with a large number of manufacturers, exporters, and suppliers in the region. China solely contributes to approximately 28% of the global stationery and art materials market, followed by Japan (approximately 7%) and India (approximately 2.4%).

Market size of major geographies in the stationery and art material market CY 22 and CY 27 (USD billion)



Source: Technopak Estimates; CY 22 is FY 23 and CY 27 is FY 28 for India

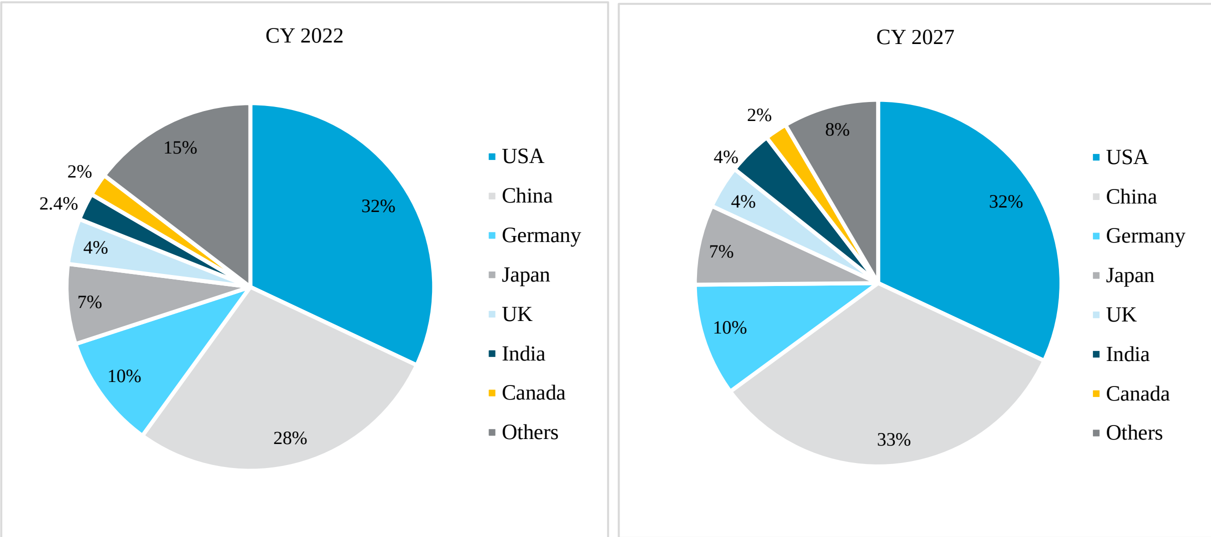
The United States is a significant contributor to the global stationery products, valued at USD 61.5 billion in CY 22. The U.S. market is estimated to grow at a CAGR of ~3% during CY 22 to CY 27 and expected to reach a market size of USD 70.9 billion by CY 27. The world's second largest economy, China, is a dominant market in Asia; its stationery product market size is valued at USD 53.8 billion in CY 22 and is projected to reach at USD 73.2 billion by CY 27, forecasting a CAGR of ~6.4% during 2022-27. Japan stationery market is valued at USD 13.5 billion in CY 22, is the second largest stationery market in Asia and is expected to grow at CAGR of ~3%

between CY 22 and CY 27, while India's stationery product market is estimated at USD 4.6 billion in CY 22 (FY 23) is projected to grow at CAGR of ~13.6% and reach market value of USD 8.7 billion by CY 27.

Meanwhile, Germany and United Kingdom (UK) are the important geographic markets for stationery products in the Europe whose market size is estimated at USD 19.2 billion and USD 7.7 billion respectively in the year 2022 and are expected to see growth in their stationery products markets, with CAGRs of ~3% and ~2%, respectively, over the same period These forecasts suggest that the stationery products market is likely to remain an important industry in the coming years, with opportunities for growth in various regions around the world.

The stationery and art materials market in China and India is projected to experience substantial growth during 2022-27, driven by the expanding economy and the emergence of new markets. By CY 27, China is anticipated to seize a market share of 33%, while India is expected to capture 4% of the global stationery and art materials market share, thus experiencing an increase from their respective market shares of 28% and 2.4% in the year 2022.

Market share of major geographies in the stationery and art materials market CY 22 and CY 27 ***(USD billion)***



Source: Technopak Estimates
CY 22 is FY 23 and CY 27 is FY 28 for India.

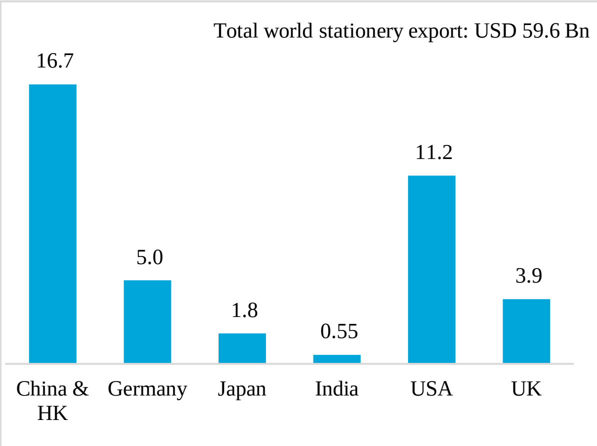
Apart from the above, the stationery and art materials industry has seen growth in various emerging countries in recent years, including Thailand, Indonesia, Singapore, South Korea, Brazil including India. India is one of the fastest-growing markets for stationery products, driven by an increase in literacy rates and a growing population of students and working population in the country.

GLOBAL SUPPLY CHAIN - MAJOR EXPORTERS AND MAJOR IMPORTERS[1]

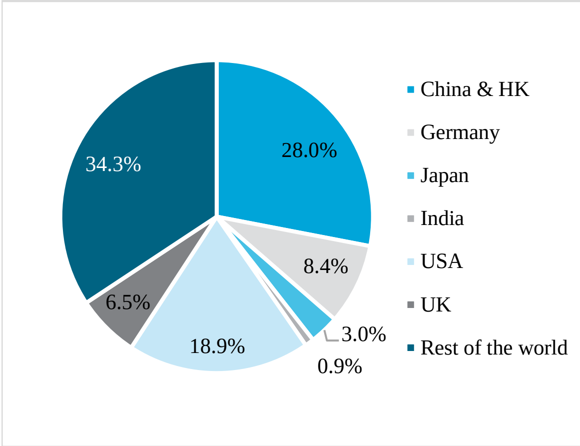
The stationery and art materials industry's global supply chain involves multiple players where the manufacturers produce the stationery products in the production units, which are them bought by the wholesalers in bulk and then distributed to the retailers who sell them to the end consumers. China is currently the largest exporter of stationery products, mainly due to its large manufacturing base and cost-effectiveness. This dominance has been strengthened by China's ability to produce a wide variety of stationery products at a lower cost compared to other countries. Other countries such as the United States, Germany and Japan have a competitive edge in the global market due to their reputation for producing high-quality products. This quality advantage allows them to cater to a different segment of the market, where consumers are willing to pay a premium for better quality products.

[1] *For the Industry report we have considered the following HS Codes: 9608: Pen and related items; 9609: Pencil and related products; 4817: Envelops and related stationery products; 4820: Register, notebooks, letter pads etc.; 4821: Paper products; 9701: Painting & related items and 3506: Glues & Adhesives*

Major exporters of stationery products in the World (Size - USD Billion) (CY 22)



Major exporters of stationery products in the World (Share - %) (CY 22)



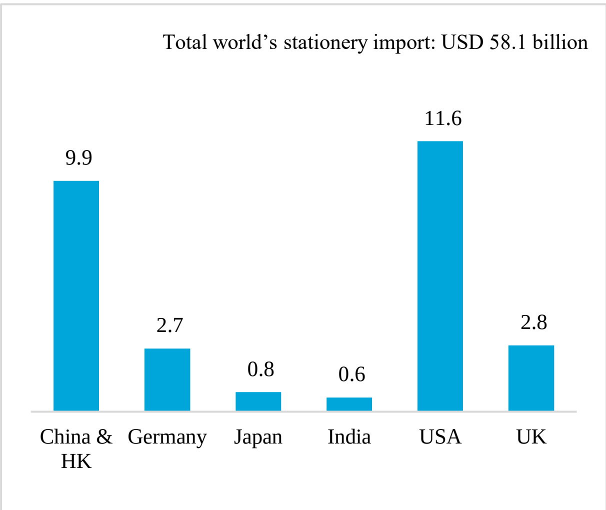
Source: Trade Statistics, International Trade Centre.

As per the trade statistics data, the International Trade Centre, the world's total stationery export market, in CY 22, was reported at USD 59.6 billion. China accounted for ~28% of the world's exports of stationery and related products in CY 22, followed by the United States accounting for ~18.9%, Germany at ~8.4%, United Kingdom at ~6.5% and Japan at ~3%. India has a very low share of global exports to stationery products accounted for approximately ~0.9% of the total world's exports in CY 22.

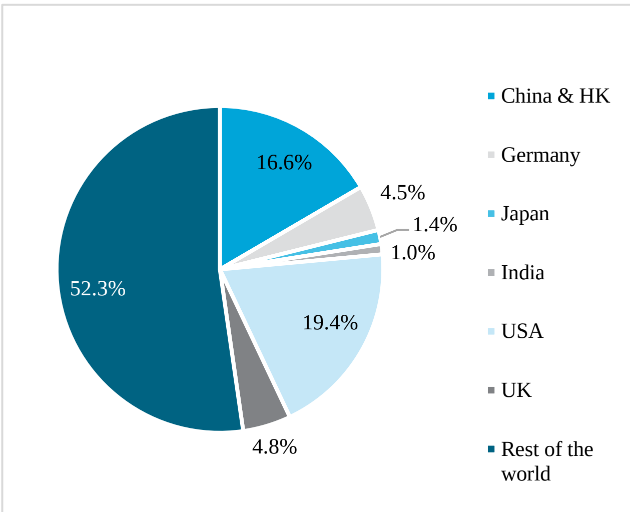
The major importing countries in the stationery and art materials industry are the United States and China. In terms of import value, the world's total stationery import was valued at USD 58.1 billion in CY 22. United States and China are the largest importer of stationery and related products in 2022, accounting for ~19.4% and ~16.6% of the world's total imports of stationery products respectively, followed by Germany at ~4.5%, United Kingdom at ~4.8% and Japan with import share of ~1.4% of the world's total imports of stationery products. India's share of import for stationery products is equal to 1% of the total world's import.

Major importers of stationery products in the World (Size - USD Billion) (CY 22)

Source: Trade Statistics, International Trade Centre.



Major importers of stationery products in the World (Share - %) (CY 22)



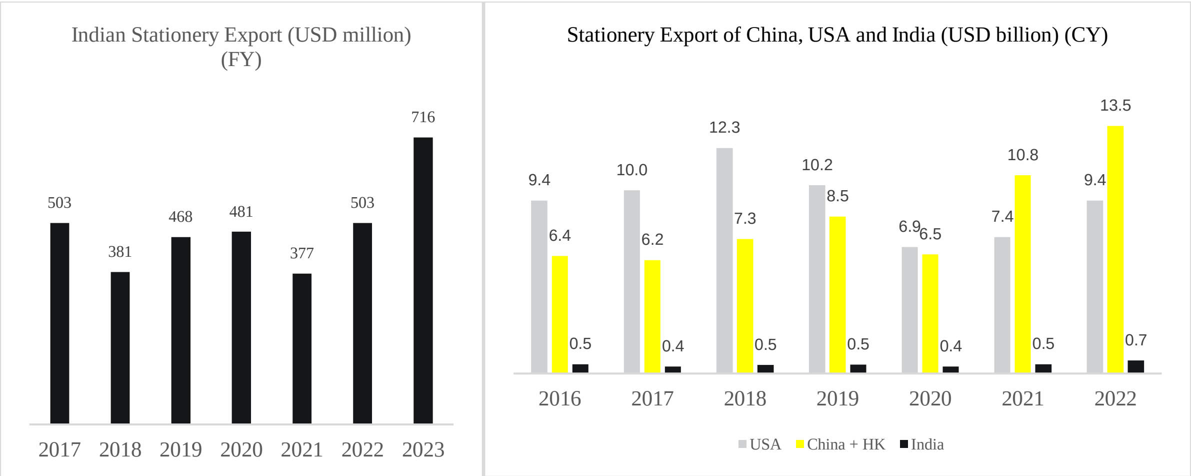
In recent years, some countries have also started to prioritize sustainability in their stationery and art materials industries, which could potentially change the dynamics of the global market. With increasing demand for ecofriendly products, manufacturers that can offer sustainable products may gain a competitive advantage.

OPPORTUNITY FOR INDIA TO BECOME AN EXPORT HUB OF STATIONERY PRODUCTS

India has become one of the major exporting nations in recent decades, which has facilitated the Indian economy to new heights. India has a thriving stationery and art materials industry, and there are several opportunities for the country to become an export hub for stationery products. India exports most of its stationery products to United States, United Kingdom, and United Arab Emirates.

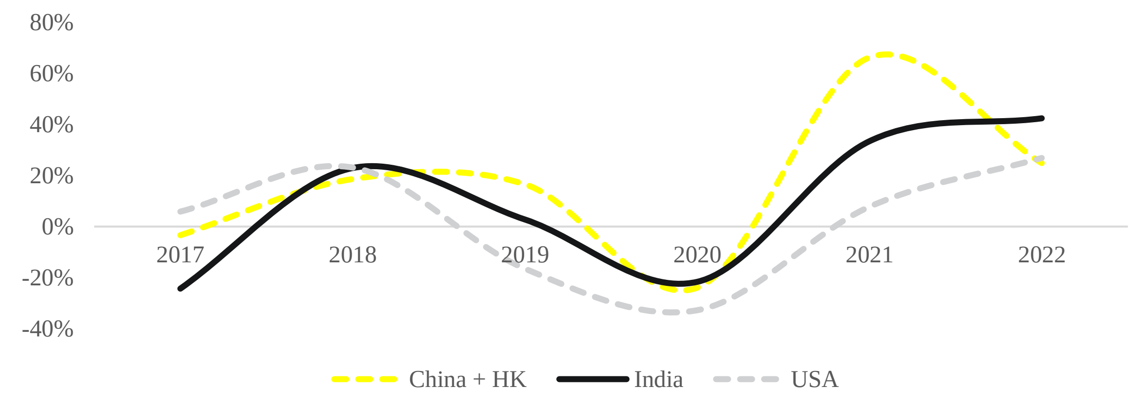
The demand for stationery products is growing rapidly worldwide, driven by increased literacy rates and education levels. India can capitalize on this demand by producing a diverse range of stationery products at competitive prices. Further, India has a vast availability of raw materials like paper, rubber, plastic, and wood, and also has a competitive advantage in cost-effective manufacturing due to lower labour costs. This helps drive down production costs of stationery products, thus making them more attractive to international buyers.

India's export value of stationery products compared to China and USA



Source: Tradestat, Ministry of Commerce & Industry
**A drop in the exports has been recorded during CY20 (FY 21), due to the Covid effect. CY 22 is FY 23 for India*
Note - Exports for Glues and Adhesives have not been included as Industrial glues and adhesives constitute a majority share of the exports.

Stationery Exports growth rate of India vs China and U.S.A (CY)



Source: Trade Statistics, International Trade Centre, Tradestat, Ministry of Commerce & Industry

India and China are both major players in the global stationery export market in Asia. While China has been the dominant player in this market for many years, India's stationery exports have been growing steadily in recent years. In terms of overall stationery exports, China witnessed a higher growth rate in the stationery exports to the world than India during CY 21, however, India's stationery export growth rate rebounded and exceeded China in CY 22, reaching a recorded rate of 42% during that period, whereas China recorded a growth rate of 25% in the same year. Despite China's dominant position in stationery exports, India still possesses significant opportunities to supply its stationery products to the global market.

India has an advantage in terms of better-quality products and customization. Indian manufacturers often emphasize attention to detail, craftsmanship, and quality control in their production processes. This focus allows them to cater to customers who value high-quality stationery products. India has also made significant strides in offering eco-friendly and sustainable stationery products such as recycled paper notebooks, bamboo stationery (pen, pencil, rulers, desk organizers etc.), eco-friendly art supplies etc. Many Indian exporters prioritize using recycled or sustainable materials and employ eco-friendly production practices. This aligns with the growing demand for environmentally conscious stationery products worldwide.

Further, the China+1 strategy can also enable Indian stationery manufacturers to tap into new markets and diversify their customer base. Each country may have unique expertise or specialized capabilities in specific stationery products or materials, providing opportunities for Indian manufacturers to introduce new designs, features, or materials to their product range. By exploring production options in countries other than China, Indian companies can expand their reach and supply chain networks to cater to diverse consumer demands globally and increase market share in the stationery industry.

Moreover, the Indian government has taken several initiatives to promote exports, including the introduction of various schemes and incentives to boost the country's export potential. The government's flagship program, "Make in India," aims to encourage local manufacturing and promote exports. Moreover, the government has announced several policy measures, including the Production-Linked Incentive (PLI) scheme, to incentivize domestic production and boost exports. These initiatives are expected to create a favourable environment for Indian stationery manufacturers to expand their global footprint. With the right policies and incentives, India can significantly increase its export share in the stationery and art materials industry.

THE LIMITING FACTORS FOR THE STATIONERY AND ART MATERIALS MARKET AND THE KEY GROWTH DRIVERS

Raw material price volatility: Inflation had a significant impact on the stationery and art materials market. The world economy has been experiencing high inflation in recent years, which has led to a higher price in the stationery products. One of the key drivers for inflation is the cost of raw materials. Stationery products like pens, pencils, notebooks etc., rely heavily on raw materials such as paper, rubber, and plastics, which are subject to price fluctuations in the global market. The increase in the price of raw materials can lead to a higher cost for stationery manufacturers, thus causing a higher selling price product in the market.

Environment Concern: There has been a growing awareness among consumers concerning the impact of paper production on the environment. Consumers have become aware of the environmental impact of paper production, which has led to a shift towards eco-friendly products and a reduction in the use of paper-based stationery items. However, this gives an opportunity for the companies in the stationery and art materials industry to offer more environment and ecofriendly alternatives.

Digitalization: Digitalization have had a significant impact on workplaces, enabling increased collaboration, information accessibility, and remote work opportunities, resulting in increased productivity and efficiency. Moreover, the adoption of digital processes has helped to minimize the environmental impact of traditional paper-based practices, leading to enhanced sustainability and reduced carbon footprint.

The shift towards paperless processes using digital devices has led to efficiency, convenience and cost savings for businesses and individuals. However, with the increase in digitization, the global supply-demand for the physical stationery products (specially the office stationery) has remained subdued as the digital alternatives for notetaking and communication have replaced the traditional stationery items, such as pens, notepads, office diaries etc. in various settings.

In emerging countries like India, the impact of digitalization is however limited due to low digital penetration specially in the rural areas. A significant portion of the population in the country, especially in the rural areas, has limited access to digital technologies, including internet connectivity. In many parts of India, the traditional stationery items like pens, pencils, and notebooks continue to be the primary means of writing and recording information. The reliance on physical stationery products is deeply ingrained in the education system, where handwritten notes and paper-based examinations remain prevalent. This reliance is further reinforced by cultural practices and habits.

E-commerce: The rise of e-commerce platforms has changed the retail landscape, offering consumers a convenient way to purchase products online. While this provides opportunities for stationery retailers to reach a broader customer base, it also intensifies competition and can lead to price pressures. Further, in countries such as India, a large number of value- seeking consumer groups prefer to buy unbranded stationery items from local vendors rather than the going for branded items. These are the challenges that the market poses for the branded players, which may differ from country to country.

Key Demand Drivers for Stationery and art materials Market across the Globe

Urbanization: As the population increases, more people move into the urban areas for a better quality of living which leads to an increase in demand for education, office supplies, and other stationery products.

Urban population often has a higher level of education. This creates a demand for scholastic stationery products such as notebooks, pens, pencils etc. in the urban market. Due to the increasing numbers of educational institutes and higher enrollment of children in these institutes, the education sector generates the most demand for stationery products.

Urbanization also leads to the growth of businesses, which increases the demand for office supplies such as paper, pens, and folders. The office segment is the second largest consumer of stationery products and is expected to increase at a steady rate as a greater number of offices have started functioning at a normal pace post Covid.

Moreover, urban population has more numbers of artist, writers, designers etc. who require specialized stationery products such as sketchpads, calligraphy pens, watercolor paints and other art and craft products for their work.

Rising education and literacy rate: As a greater number of students go to school, colleges, and universities and more people become literate, there would be an increase in the demand for stationery products. With a rise in literacy rates, there will be a growth in the number of working professionals too.

Modern education methods: The emergence and growth of digital tool in recent years has had a profound impact on the education sector. The modern education methods and digital learning platforms have improved accessibility, flexibility, and learning outcomes for students. The changing nature of educational resources and materials and the shift towards online teaching pedagogy in the educational sector has increased the use of digital learning platforms post the pandemic. Coupled with rapid digitization in the educational system and increased usage of the internet, this has made education more accessible leading to increased demand for stationery products. With more people studying from home at their own convenient time, there has been a greater demand for school supplies, including pens, pencils, notebooks, and other stationery items.

In addition, as people spend more time surfing the internet, there has been a recovery of interest in analogue tools and paper-based productivity systems like bullet journaling, which can help people organize their thoughts and tasks in a tactile way.

Social Media Influencer: Social media influencers play a significant role in the stationery markets by promoting and endorsing stationery products to their followers. Influencers have a large and engaged audience, which can create a ripple effect and generate interest and sales for stationery brands. Companies collaborate with influencers to widen the market and boost the reach and visibility of these products. For example, a cartoon character ad can help to attract today’s generation kids to purchase their pencils, notebook etc.

New product development and innovation in the stationery products such as eco-friendly stationeries, can further boost the demand for stationery products market.

KEY GLOBAL PLAYERS IN STATIONERY AND ART MATERIALS INDUSTRY

The stationery industry is a global market that includes a wide range of products such as writing instruments, paper products, office supplies, and other related products. Some of the global key players in the stationery product market are Faber-Castell, Staedtler, Maped, Muji, FILA SPA, Newell Brands, Kokuyo, Crayola, Acco Brands etc.

FABER-CASTLLE

Faber-Castell, headquartered in Stein, Germany, is one of the largest stationery brands in the world and a manufacturer and supplier of pens, pencils, other office supplies, and art supplies, as well as high-end writing instruments and luxury leather goods and gifts. It operates 14 factories and 20 sales units throughout the globe.

The Faber-Castell product line includes pencils (graphite and color), pens (fountain, rollerball, Fine-liner and Fibre tip, Ballpoint), crayons and colors (Artists colors, pastels), charcoals, erasers, sharpeners, and other accessories.

Facts & Figures about Faber- Castell	
Global presence	Europe, North America, Latin America, Asia, Pacific. Market presence in over 120 countries.
Production locations	~10 Countries
Group revenue 2022	~5.63 USD billion
Brand	Faber-Castell
Products:	Graphite pencils, Colored pencils, Fountain pens, Rollerball pens, Fine-liner and Fiber tip pens, Artists colors, Ballpoint pens, Markers, Crayons, Compasses, Technical drawing, Eraser, Sharpener, Equipment, Refill.

STAEDTLER

Staedtler, founded in 1835 is a German fine writing instrument company and a manufacturer and supplier of artist, writing, and engineering drawing instruments. Staedtler produces a large variety of writing instruments, including pencils and accessories (graphite pencils, erasers, sharpeners, mechanical pencils and lead holders, pencil leads), products for coloring (colored pencils, fiber-tip pens, fine liners, crayons, chalks & oil pastels, paints etc.), markers (highlighters, universal pens, whiteboard markers, flipchart markers, dry markers, writing pens (fine liners, ballpoint pens, rollerballs, ballpoint refills, fountain pen etc.), products for artists such as accessories for artists, colored pencils for artists, graphite pencils for artists etc. and technical drawing instruments (technical pens & drawing ink, compasses, rulers & set squares, drawing boards, lettering guides etc.)

Facts & Figures about Staedtler	
Global Presence	Staedtler worldwide is located in 26 countries. Market presence in over 150 countries.
Production locations	7 in total, 4 in Germany
Group revenue 2022	~0.42 USD billion
Brand	Staedtler
Products:	Products for coloring (Colored pencils, Fiber-tip pens, Fine-liners, Crayons, chalks & oil pastels, Paints); Markers (Highlighters, Universal pens, Whiteboard Markers, Flipchart Markers, Dry markers); Writing pens (Fine-liners, Ballpoint pens, Rollerballs, Ballpoint refills, Fountain Pen); Technical drawing instruments (Technical pens & drawing ink, Compasses, Rulers & set squares, Drawing boards); Pencils and accessories (Graphite pencils, Erasers, Sharpeners, Mechanical pencils and lead holders, Pencil leads); Products for artists (Accessories for artists, Colored pencils for artists, Graphite pencils for artists, Fiber-tip pens, fine-liner & metallic markers, Oil pastels, soft pastel chalks, water-color crayons); Noris Digital; Fine Writing.

Note – USD-Euro conversion rate of 1 Euro = 1.0975 USD

MAPED

Maped, headquartered in Annecy, France, is a manufacturer of scholastic and office stationery products. It has a global presence on 5 continents and in more than 120 countries with 17 international subsidiaries.

The Maped product line includes School stationery products such as pencil sharpeners, erasers, drafting tools, compasses, scissors, glue, writing boards and accessories; Coloring products like felt tips, color pencils, crayons, and painting; Writing instruments such as pens and highlighters and felt tips for writing; Play and creations products and other Office and framing products like cut accessories, office accessories and magnifiers.

Facts & Figures about Maped	
Global Presence	~ 120 countries including USA, Canada, Silco, Peru, Brasil, Argentina, Russia, Netherland, UK, Helit, France, Cofrap, Romania, Turkey, Hellas, India, Suzhou, Helix-Hong-Kong etc.
Production locations	3 integrated production sites in France, Silco, Suzhou.
Brands	Maped, Maped Picnik, Maped Creativ
Products:	Scissors, Color pencils, Pencil sharpeners, cut accessories, Erasers, Felt tips, Highlighters and felt tips for writing, Water bottles, Compasses, Color crayons

MUJI

MUJI, founded in 1979, is a Japanese retail company which sells a wide variety of household and consumer goods. It sells household goods, kitchen utensils, fashion, stationery, electronics, home appliances, cosmetics, food and furniture. MUJI is known for its distinctive design, which is continued throughout its more than 7,000 products across different categories such as ladies' wear, men's wear, kid's wear, accessories, stationery, furniture, fabrics, kitchen wear, storage units, haircare products, cosmetics suitcase, electronics, instant food items, snacks etc. MUJI's stationery category has a variety of products which includes notebooks, pens, files & folders, albums, gift wrapping toys etc.

Facts & Figures about Muji	
Global Presence	~31 countries (**Europe:** France, Finland, Denmark, Germany, Ireland, Italy, Poland, Portugal, Spain, Sweden, Switzerland, United Kingdom; **Asia Pacific:** Australia, China, Hong-Kong, Japan, Korea, Kuwait, Malaysia, Philippines, Singapore, Taiwan, Thailand, UAE, Saudi, Arabia, Bahrain, Qatar, India, Vietnam; **North America:** USA, Canada)
Group revenue FY 2023 (Sept 2022 - Aug 2023)	~ 3.90 USD billion
Brand	Muji
Products:	Writing Materials, Office Items, Gel Ink Ball Point Pens, Office Accessories, Notebooks, Files, Acrylic Storage, Mobile Accessories, Markers & Highlighters, Photo Frames & Albums, Folder, Calendar/Schedule, Box Files, Oil Ink Ball Point Pens, Desk Items, Loose-Leaf, Binders, Pencils, Bargain, Report/Memo, Wrapping Items, Arts & Crafts Items, Message Cards, Papers & Envelopes, Erasable Pens, Ring Files, Fountain Pen, Schedule Books/Address Books.

F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.

F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A. (or F.I.L.A Group) is an Italy based stationery company, incorporated in 1920, having a presence in the market for over 100 years. It is a leading global enterprise devoted to the research, design, manufacture and sale of tools for creative expression, catering to millions of homes, schools, offices and ateliers. With over 25 renowned brands under its umbrella, F.I.L.A. operates in an extensive network spanning more than 150 countries across 5 continents. The group operates in the creativity tools market, producing and marketing over 20 categories of products including coloring, design, modelling, writing, and painting objects, such as pencils, crayons, modelling clay, chalk, oil colors, acrylics, watercolors, paints and paper for the fine arts, school and leisure.

Facts & Figures about F.I.L.A Group	
Global Presence	Over 150 countries including **Europe:** Italy, Spain, Portugal, Greece, France, Turkey, Germany, Poland, Sweden; **North America:** U.S.A., Canada, Mexico; **Latin America:** Brazil, Chile, Argentina; **Asia**: China, India, Russia; **Others:** South Africa, Australia
Production locations	~ 22 production sites located across Italy, France, Germany, Great Britain, Argentina, Brazil, Canada, Mexico, Dominican Republic, USA, China, and India
Group revenue 2022	~ 0.84 USD billion
Brands	25 brands - Giotto, Tratto, Pongo, Dido, DAS, Maimeri, Lyra, Prang, Dixon, Ticonderoga, Vinci, Vividel, Mapita, Blanca Nieves, Metrico, Mercurio, Pax, Utiguti, DOMS, Daler Rowney, Lukas, Princeton, Pacon, Strathmore, Canson, ARCHES
EBITDA (Reported)	0.114 USD billion
EBITDA Margin	13.53%

Note – USD-Euro conversion rate of 1 Euro = 1.0975 USD

SHANGHAI M&G STATIONERY INC

Shanghai M&G Stationery Inc. manufactures and sells stationery products including writing tools, student's stationery, office stationery, and other related products. The company is in Shanghai, China, that covers around 80,000 retail terminals in China with M&G Life House, M&G Shop, and other 441 retail stores. The company has a strong presence both in the domestic Chinese and international markets, distributed through various channels, including own retail stores, e-commerce, and partnerships with wholesalers and retailers worldwide.

Facts & Figures about Shanghai M&G Stationery	
Global Presence	50 countries including Thailand, Vietnam, Malaysia, and other countries
Production locations	~10 factories
Group revenue 2022	~ 2.79 USD billion
Brands	M&G Stationery, Beckmann
Products:	Writing instruments, student stationery, office supplies and art supplies - include pens, erasers, glue, drawing materials, schoolbags, markers, highlighters, mechanical pencils, notebooks, correction fluid, oil pastels, sticky notes, pencil leads, and pen refills.

KOKUYO CO. LTD

KOKUYO CO. LTD, based in Osaka, Japan and established in 1905, offers innovative and high-quality products through Workstyle Field (Furniture Business, Business Supply Distribution) and Lifestyle Field (Stationery Business, Interior Retail Business). Their range of products include writing instruments, notebooks, adhesive products, and art and craft products and also operates in Furniture business in both domestic and overseas market, Business Supply Distribution business that consists of an E-commerce, mail-order and a wholesaling business, Interior Retail Business selling through Brick-and-Mortar store and Online stores. They have a very strong presence in East Asia along with tie-ups with Camlin in India to expand their presence.

Facts & Figures about Kokuyo co ltd.	
Global Presence	Japan, India, China, Malaysia, Vietnam, Thailand, Singapore, Indonesia
Production locations	**Domestic –** Mie, Chiba, Shiga, Tottori, **Overseas-** China, Thailand, Malaysia, Vietnam, India, Indonesia
Group revenue 2022	~ 2.44 USD billion (**Stationery business**: ~ 0.61 USD billion)
Brands	Kokuyo, Camlin, Campus, Kaunet, Dotliner
Products:	**Stationery Business** (Writing instruments, student stationery, office supplies art supplies include pens, erasers, glue, Glue, markers, highlighters, mechanical pencils, notebooks, correction fluid, masking tape, sticky notes, staplers, pencil leads, and pen refills, Adhesive tapes, Scissors), **Furniture Business** (Office renovations**), Business Supply Distribution** (that consists of an E-commerce, mail-order and a wholesaling business of office supplies, stationery, office automation tools, daily necessities, office furniture), **Interior Retail Business** (Clothing, food, interior goods and services)

NEWELL BRANDS

NEWELL BRANDS, headquartered in Atlanta, Georgia, US and founded in 1903, is one of the leading American manufacturer, marketer, and distributor of consumer and commercial products. It manufactures and sells stationery products including writing tools, student's stationery, office stationery, and other related products and also operates in Commercial Solutions, Home Appliances, Home Solutions, Learning and Development, Outdoor and Recreation. The company has a strong presence both in the North American and international markets especially in Europe and Africa, and products are distributed through various channels, including its own retail stores, e-commerce, and partnerships with wholesalers and retailers worldwide.

Facts & Figures about Newell Brands	
Global Presence	North America, Europe, Middle East and Africa, Latin America, Asia Pacific. Market presence in over 200 countries
Production locations	Over 40 countries
Group revenue 2022	~ 9.5 USD billion
Brands	36 Brands- Mapa, Quickie, Rubbermaid, Rubbermaid Commercial Products, Spontex, Calphalon, Crockpot, Mr. Coffee, Oster, Sunbeam, Ball, Chesapeake Bay Candle, FoodSaver, Sistema, WoodWick, Yankee Candle, Aprica, Baby Jogger, Dymo, Elmer's, EXPO, Graco, Mr. Sketch, NUK, Paper Mate, Parker, Prismacolor, Sharpie, Tigex, Waterman, X-Acto, Campingaz, Coleman, Contigo, ExOfficio, Marmot
Products:	Writing instruments, student stationery, office supplies art supplies (include pens, erasers, glue, drawing materials, schoolbags, markers, highlighters, mechanical pencils, notebooks, correction fluid, oil pastels, sticky notes, pencil leads, and pen refills, Label printers, Adhesive tapes, measuring tapes, measuring scales. Scented markers, and scented crayons. High-end luxury pens), Commercial Solutions (Commercial cleaning and maintenance solutions, closet and garage organization, hygiene systems and material handling solutions), Home Appliances (Household products, including Kitchen Appliances), Home Solutions (Food and Home Storage products, fresh preserving products, vacuum sealing products, gourmet cookware, bakeware and cutlery and home fragrance products), Learning and Development (Baby gear and Infant care products, writing instruments, art products, adhesive- based products, cutting and labelling solutions products), Products for outdoor and outdoor-related activities.

CRAYOLA

CRAYOLA, headquartered in Pennsylvania, US introduced its first crayon in 1903, and is a wholly owned subsidiary of Hallmark Cards and is best known for its Crayons. The Crayola product line includes Crayons, Colored Pencils, Markers, Paint, Adult Coloring, Toys & Activities, Art Kits & Easels. It also produces Silly Putty and a line of professional art products under the "Portfolio Series Brand" that includes acrylics, watercolor, tempera and brushes.

It has its Crayola experience centres at 5 locations which are open to the public that have crayon centric warehouse including events, a café, a store, attractions, some familiarizing guests and Crayola's history with products.

Facts & Figures about Crayola	
Global Presence	Market presence in over 80 countries
Production locations	11 in total, **Manufacturing Facilities** -Easton, Pennsylvania, Bethlehem Pennsylvania, Mexico City, Mexico **Sales and Marketing Facilities**- Australia, Canada, Hong Kong, Italy, Mexico, Netherlands
Brand	Crayola, Silly Putty, Portfolio Series
Products:	Color and Draw (Adult Coloring, Chalk, Colored Pencils, Coloring Books and Papers, Crayons, Dry Erase, Markers, Mess Free Coloring, Writing Tools), Paint and Create (Art Kits & Easels, Brushes, Paint, Scissors & Glue, Washable Paint, Water Colors), Modelling Compounds (Clay, Model Magic, Silly Putty), Toys and Activities (Art Kits & Easels, Outdoor Chalk, Toys, Craft Kits), Classpacks & Bulk

ACCO BRANDS

ACCO BRANDS is an American multinational company headquartered in Lake Zurich, Illinois, US, founded in 1893, and is one of the largest designers, manufacturers, and marketers of premium business, technology and academic products. It has a worldwide presence with more than 100 countries and has acquired several brands in its course of business. It deals in office products which includes ring binder, paper clip, staplers, notebooks, paper-based school and office products etc.

Facts & Figures about ACCO Brands	
Global Presence	Products sold primarily in the US, Europe, Australia, Canada, Brazil and Mexico. Market presence in over 100 countries
Production locations	**Manufacturing facilities**- Mississippi, New York, Pennsylvania, Canada, Belgium, China, Czech Republic, England, Germany, Italy, Poland, Portugal, Sweden, Australia, Brazil, Mexico, **Distribution facilities**- Mississippi, New York, Pennsylvania, Canada, Belgium, Czech Republic, England, France, Germany, Italy, Poland, Sweden, Australia, Brazil, New Zealand, Singapore **Global office locations** include -California, Ohio, Washington, Taiwan, England, Australia, Chile, Canada, Germany, USA, Mexico, UK, Brazil, Singapore, Hongkong, Japan, Poland
Group revenue 2022	~ 1.95 USD billion
Brand	46 brands- ACCO, Amcal, Apollo, Artline, At-A-Glance, Barrilito, Bene, Cambridge, Carven, Celco, ColourHide, Columbia, ConTact, Crystalfile, Day-Timer, Derwent, Esselte, Five Star, Foroni, GBC, GBC (Europe), Grafon's, Hilroy, Jastek, Kensington, Leitz, LucidSound, Marbig, Mead, Mead Acadamie, MotherWord, Nobo, NorthFork, Petrus, PowerA, Quartet, Rapid, Rexel, Seal, Spirax, Swingline, Texta, Tilibra, TruSens, Xyron, Wilson Jones
Products:	Tech Accessories (Video Gaming and Computer Accessories), Learning and Creative (Notetaking, Boards, Art products and Writing), Equipment (Stapling, Laminating, Tools, Shredding and Wellness), Organization and Storage (Filing and Organization, Storage and Calendars)

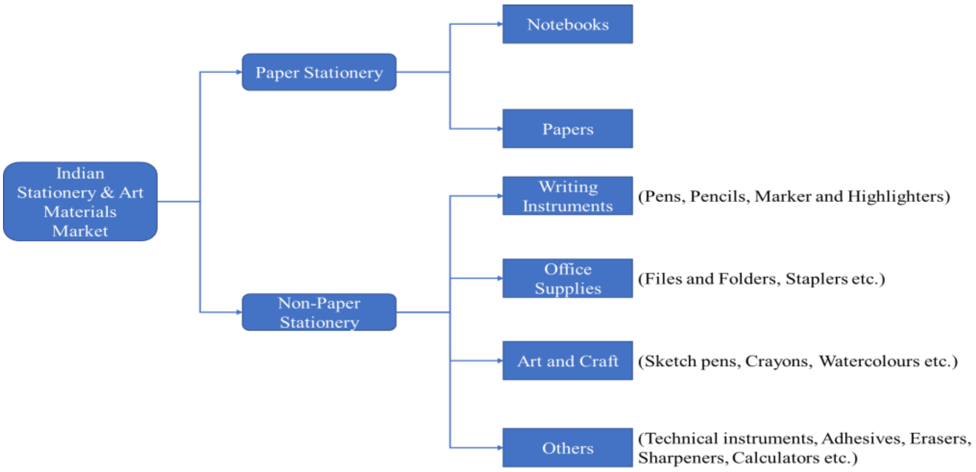
INDIAN STATIONERY AND ART MATERIALS MARKET

Key Segments of Indian stationery and art materials market

By Product Type

Indian stationery and art materials market can be segmented into paper stationery and non-paper stationery products, with the latter constituting the larger share in the market by value. Paper stationery products can be further sub-divided into notebooks and papers, with notebooks accounting for the larger share by value. Non-paper stationery products can be sub-divided into writing instruments, office supplies, art and craft products etc., with writing instruments accounting for the larger share by value.

Overall Stationery and Art Materials Market in India



Source – Technopak Analysis

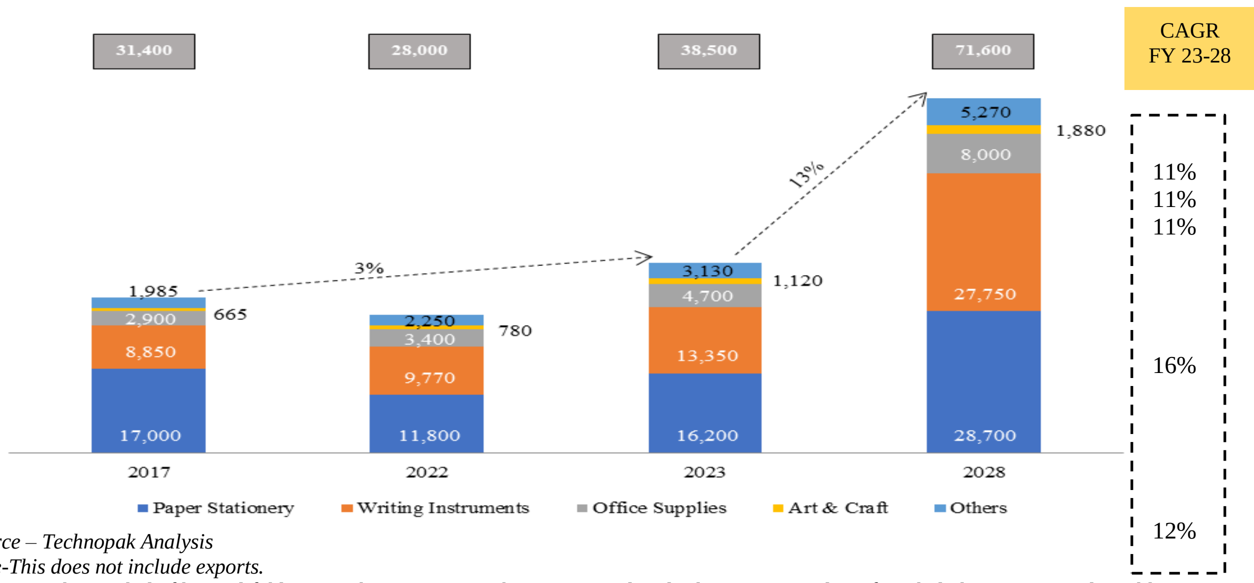
Domestic Stationery Market Size in India

The Indian stationery and art materials market has exhibited continuous growth over the years. It has an estimated size of INR 38,500 crore by value as of FY 23. However, the market witnessed a substantial sales dip in FY 21 due to Covid, during which schools, colleges were closed and had shifted to online mode of education and offices also went into work from home mode. The market bounced back with 35% growth in FY 22 due to revival in demand post reopening of schools, colleges, and resumption of work from office. The Indian stationery and art materials market is expected to grow at a CAGR of ~13% during FY 23-28 period to reach a market value of INR 71,600 crore by FY 28.

As of FY 23, non-paper stationery contributes ~58% (INR 22,300 crore) to the Indian stationery and art materials market by value. Out of the total non-paper stationery market, writing instruments, office supplies and art and craft contribute ~60%, ~21% and ~5% respectively. Paper stationery contributes ~42% (INR 16,200 crore) to the Indian stationery and art materials market by value. Out of the total paper stationery market, notebooks and papers contribute ~65% and ~35% respectively.

Non-paper stationery category is expected to grow at a CAGR of ~14% during FY 23-28 period to reach a market value of INR 42,900 crore by FY 28. Paper stationery category is expected to grow at a CAGR of ~12% during FY 23-28 period to reach a market value of INR 28,700 crore by FY 28.

Indian stationery and art materials market – By Value (INR Crore) in FY

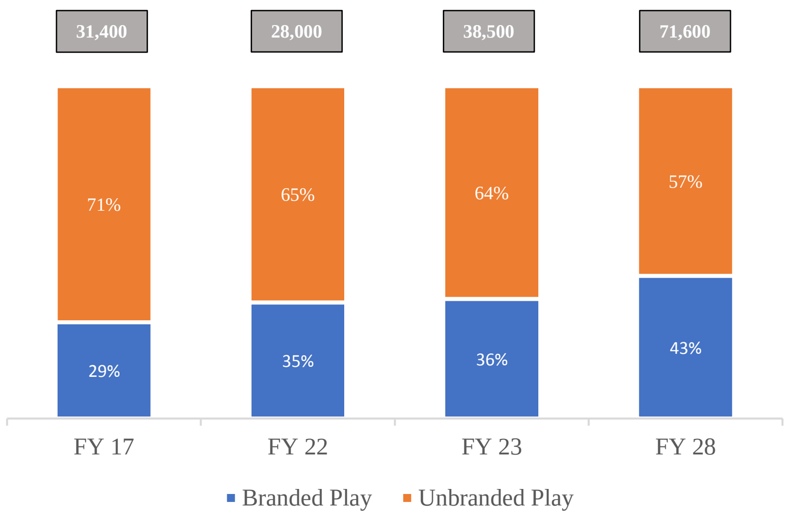


Source – Technopak Analysis
Note-This does not include exports.
Office supplies include files and folders, staplers, paper punches, stamp pad and inks etc., Art and Craft include basic arts products like

crayons, oil pastels, sketch pens, poster colours etc. and fine arts products like water colours for artist, gouache colours, artist brushes, canvas board etc., Others include Technical instruments (mathematical instrument boxes and individual technical instruments such as protractor, T-square etc.), Computer Stationery (printer cartridges, printer inks etc.), Glues and Adhesives, Calculators, Erasers, Sharpener, scissors, chalks etc.

As of FY 23, Branded play controls nearly 36% (~INR 13,850 crores) of the stationery market in India. Branded play is estimated to capture ~43% (~INR 30,500 crores) market share by FY 28.

Share of Branded Play in Indian stationery and art materials market – By Value in % (in FY)



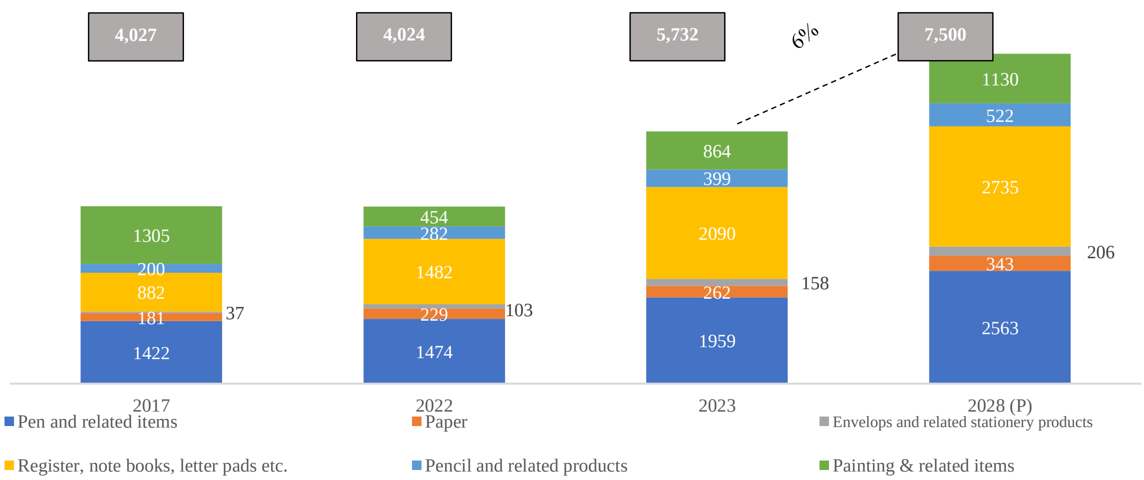
Source – Technopak Analysis

The 'stationery and art material' market in India has untapped potential in multiple categories with a limited presence of branded players. The market is gradually shifting towards branded play, because of shift in consumer preference towards premium and innovative products, GST implementation, branded players undertaking various brand building initiatives and economies of pan-India distribution network by branded players.

Export of Stationery and Art Materials Market Size in India

The exports of Indian stationery and art materials were valued at ~INR 5,732 crore in FY 23. Registers, notebooks, letter pads etc. and Pen and related items, constituted ~36% and ~34% respectively of the Indian stationery exports market. Painting and related items, Pencil and related items and Papers constituted ~15%, ~7% and ~5% respectively of the Indian stationery exports market. As of FY 23, India majorly exports to USA constituting ~28% of exports, followed by UK constituting ~7%. The Indian stationery and art materials exports market is expected to grow at a CAGR of ~6% during FY 23-28 period to reach a market value of INR 7,500 crore by FY 28.

Export of Stationery products – by Value in INR Crore (FY)



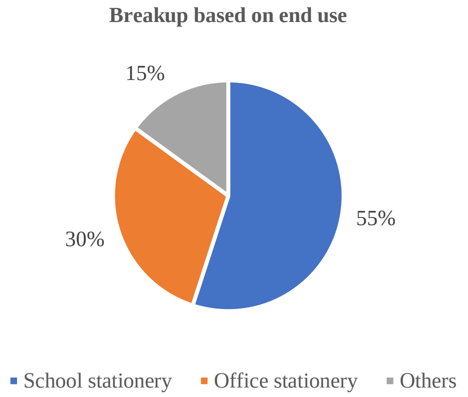
Source – TRADESTAT, Ministry of Commerce and Industry and Technopak Analysis

HS Code for Pen and related items: 9608, HS Code for Paper: 4821, HS Code for Envelops and related stationery products: 4817, HS Code for Register, notebooks, letter pads etc.: 4820, HS Code for Pencil and related items: 9609, HS Code for Painting & related items: 9701. Note - Exports for Glues and Adhesives have not been included as Industrial glues and adhesives constitute a majority share of the exports.

By End Use Type

On the basis of end use, the Indian stationery and art materials market can be segmented into school stationery, office stationery and others. School stationeries are used by school and college going students and include products such as notebooks, pens, pencils, erasers, sharpeners, geometry box etc. Office stationeries are used by various corporates and include products such as files and folders, pens, markers, staplers, punching machine, glues etc. Apart from schools and offices, stationery and art material products are also used by artists and other professionals. As of FY 23, school stationery, office stationery and others constitute ~55% (~INR 21,175 crores), ~30% (~INR 11,550 crores) and ~15% (~INR 5,775 crores) respectively of the total Indian stationery and art materials market by value.

Breakup of Stationery and Art Materials Market based on end use

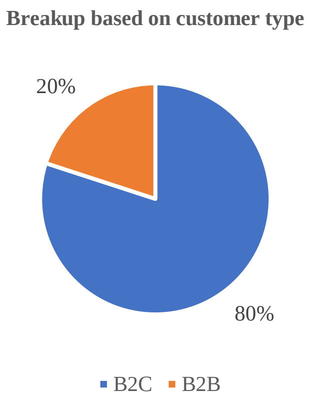


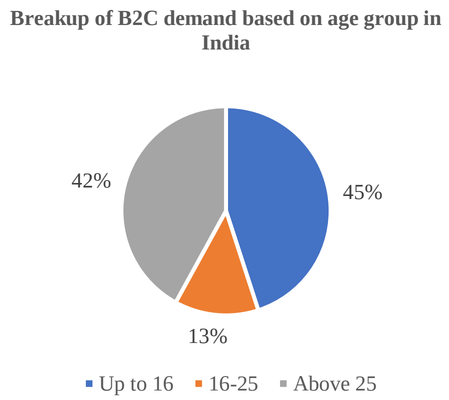
Source – Technopak Analysis

By Customer Type

On the basis of customer type, the Indian stationery and art materials market can be segmented into B2C (comprising demand generated by school and college students, corporate employees and artist and other professionals) and B2B (comprising demands from corporates, schools, and colleges). As of FY 23, B2C demand constitutes ~80% of the market by value, whereas B2B constitutes ~20%. On further categorisation of B2C demand on the basis of age group, students up to the age of 16 constitute ~45% of the total B2C demand by value, those between age group of 16 to 25 constitute ~13% and those above the age of 25 constitute ~42% by value. Out of the total demand generated by students, school going students up to class 10 (till age 16) generate ~77% of the demand, whereas college and higher education students generate ~23% of the demand.

Breakup of Stationery and Art Materials Market based on customer type and Breakup of B2C Stationery and art materials demand based on age group in India in FY 23





Source – Technopak Analysis

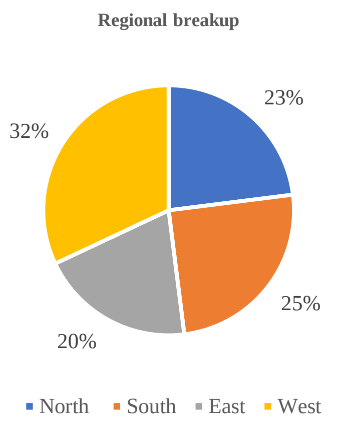
By Geography

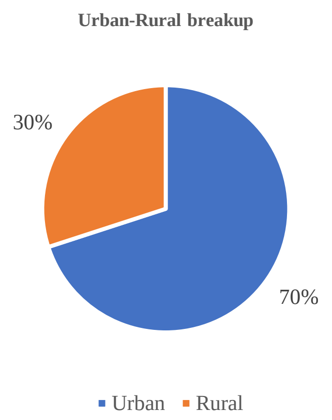
On a regional level, West India dominates the market constituting ~32% of the market by value as of FY 23. East, North, and South regions constitute ~20%, ~23% and ~25% of the market by value.

**West India includes states of Gujarat, Goa, Maharashtra, and Madhya Pradesh. East India includes states of Bihar, Odisha, Jharkhand, Chhattisgarh, West Bengal and 8 north eastern states. North India includes states of Himachal Pradesh, Punjab, Uttarakhand, Uttar Pradesh, Rajasthan, Haryana. South India includes states of Andhra Pradesh, Telangana, Karnataka, Kerala, and Tamil Nadu.*

As of FY 23, urban India constitutes ~70% of the Indian stationery and art materials market by value, whereas rural India constitutes ~30% of the market by value.

Regional and Urban-Rural breakup of the Stationery and Art Materials Market in India in FY 23

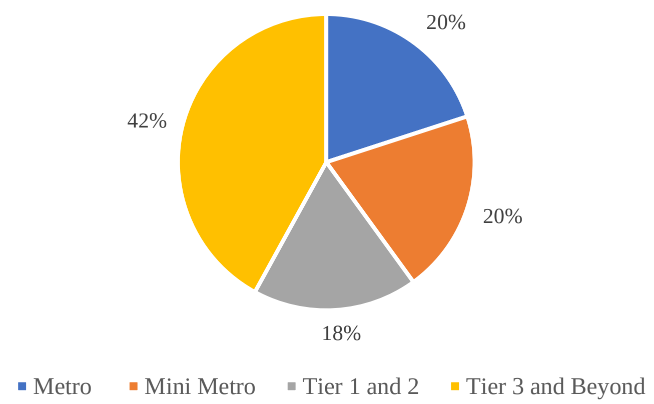




Source – Technopak Analysis

As per classification based on city type, metro cities constitute ~20%, Mini Metro cities constitute ~20%, Tier 1 and 2 cities constitute ~18%, and Tier 3 and beyond cities constitute ~42% of the Indian stationery and art materials market by value as of FY 23.

City wise breakup of the Stationery and Art Materials Market in India in FY 23

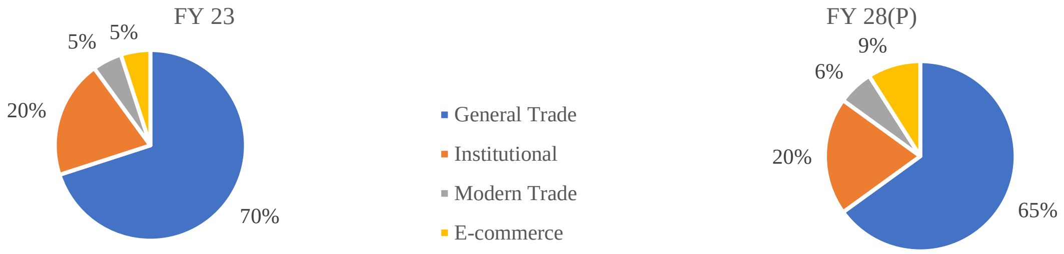


Source – Technopak Analysis

By Channel Type

Sales channel mix for stationery products in India consists of general trade (distribution and trade), direct institutional sales, modern trade, and e-commerce channel. The stationery segment is a distribution-led category wherein a large and efficient distribution network plays a key role in capturing the market. As of FY 23, sales of stationery products through general trade are ~ 70% and it is expected to continue to be a substantial channel of sales in upcoming years also. Direct institutional sales constitute ~ 20% of the sales mix. The share of modern trade and e-commerce sales channel constitute ~ 5% of the sales mix each and are the fastest growing channels.

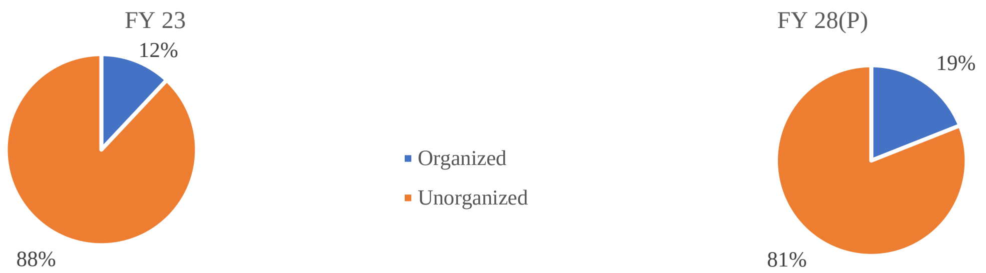
Sales of Stationery and Art Materials Products across retail channel in FY 23



Source – Technopak Analysis

Retail sales channel for stationery products in India can be sub-categorized into organized and unorganized sales channels. The organized sales channel consists of modern trade (hypermarkets, supermarkets etc.) and e-commerce. The unorganized sales channel consists of general distribution and trade. Retail sales channel for stationery products are primarily dominated by unorganized sales channel, constituting ~88% of the market as of FY 23.

Share of different sub-categories of retail sales channel of Stationery and Art Materials Products in India -By Value in FY



Source – Technopak Analysis

The stationery industry is a distribution led traditional retailer driven category. A typical value chain involves the brands (manufacturers), distributors, retailers, and customers. Manufacturers in some cases sell directly to institutions. Schools, colleges, universities, corporates, and end consumers form the customer base of the stationery market. The distributor buys stationery products from brand manufacturer usually at discount of ~30-40% to maximum retail price (MRP). The distributor further sells the product to retailers and retains a margin of ~10%. Retailers sell the product to end consumers with a retained margin of ~25-30%. In scenarios where manufacturing brands sell directly to institutions, they give a discount of ~40-45% on the price.

Trends Shaping Indian Stationery and Art Materials Industry

In addition to the shift towards branded, the other trends shaping Indian stationery and art materials industry are:

Shift towards innovative and creative products

Indian stationery and art materials market is witnessing increased demand for innovative and creative products across price segments, as there has been a shift in consumer mindset towards products which are aesthetically designed and have good functionalities. Additionally, increase in disposable income of people have increased their purchasing power, which in turn has accelerated the demand for premium stationery products in India. Children, who are the influencers in this category are also becoming more and more conscious pertaining to their likes and dislikes, while purchasing such products, there by driving the demand of innovative and creative stationery products in Indian market. Owing to such shift in demand, stationery manufacturers are coming up with new products, having enhanced designs and superior functionalities and are adding innovation to their offerings. The products under the 'DOMS' brand are known for their product designing and premium quality.

Examples of innovative and creative products by different players

DOMS ERASNER (Eraser + Sharpener)

DOMS Sports Collectable Car Eraser

Apsara space-ship shaped sharpeners

Camel Child Grip Crayon Set

Premium Metal Body Ball Point Pen with Jet Ink Technology

China plus one strategy

In 1990s, many global manufacturing entities in US, Europe etc. shifted their production facilities to China owing to favourable factors of production, which made it the centre of global supply chain. But in CY 21, during post pandemic recovery, when there was a surge in demand across the world, China's Zero Covid policy and supply chain disruption issues made it difficult for these manufacturing entities to meet the demand. As a result of this, companies are diversifying their business and investment out of China to alternative destinations. This China +1 phenomenon represents a great opportunity for India given its large manufacturing base, favourable factors of production, strong business ecosystem, and incentivising government policies, which help in growing the exports potential of stationery from India. India witnessed an annual growth rate of 42% in FY 23 in stationery exports.

Rising Penetration of E-Commerce
With the advent of E-Commerce, the buying behaviour of consumers for stationery products have been transformed to a certain extent. Now the customers are purchasing products right from the comfort of their homes on online retailing platforms like Amazon and Flipkart, offering a wide range of products at competitive price levels with convenient delivery options. Even though the penetration of E-commerce has been gradual over the years, but it has definitely led to increased competition within Indian stationery and art materials market, thereby driving its growth.

Key growth drivers for Indian Stationery Industry

Favourable Demographics

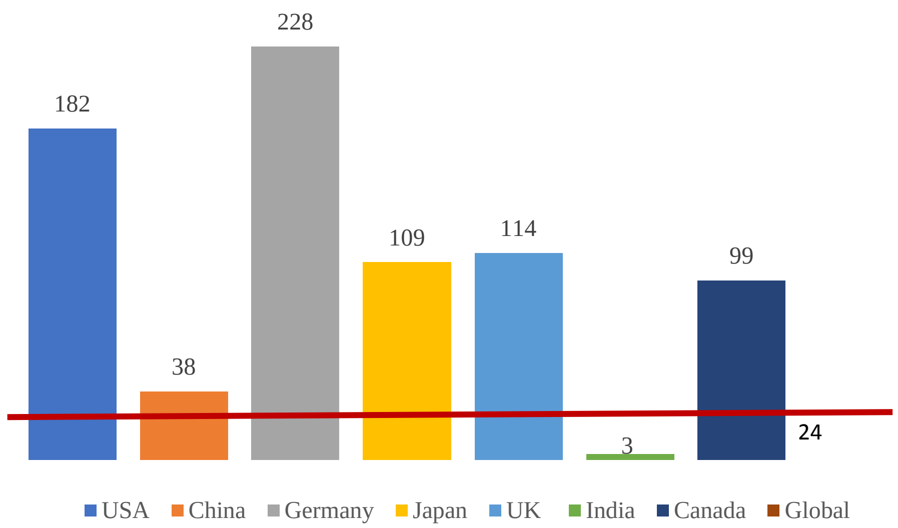
India has a higher share of youth population. "Youth in India 2022" report by Ministry of Statistics and Programme Implementation uses age group of 15 to 29 for defining youth. As of CY 21, ~26% of the population in India are in the age group of 0-14 and ~27% of the population belong to the young age group of 15-29. This signifies a huge potential for school, colleges, and other educational institutes, which in turn is going to drive the demand for stationery products in India. In addition to that, India also has a higher share of working age group in its population. As of CY 22, ~68% of the population belong to the working age group of 15 to 64 years. Such growing working class are going to drive the demand for office stationery in India.

Increasing ownership of stationery products per person

Consumers are now purchasing higher number of stationery products at a time. Students are buying multiple pens of different colours, multiple pencils, erasers etc. at a time. This increasing ownership of stationery products per person is driving the Indian stationery and art materials market by volume, thereby increasing its size by value.

Indicatively, the global average of per capita consumption of stationery by value is estimated to be ~US$ 24 in CY 22. India's per capita consumption of stationery by value is low, as compared to other countries like Germany, USA, UK and Japan, at ~US$ 3, there by suggesting immense headroom for growth in future. Additionally, per capita consumption of pencils by volume is low for India at ~3, as compared to other countries like USA which is at ~6, thereby suggesting immense growth potential in such product categories. Such increase in per capita consumption of stationery products will help drive demand in India.

Per Capita Consumption of Stationery – by value (in US$) in CY 22

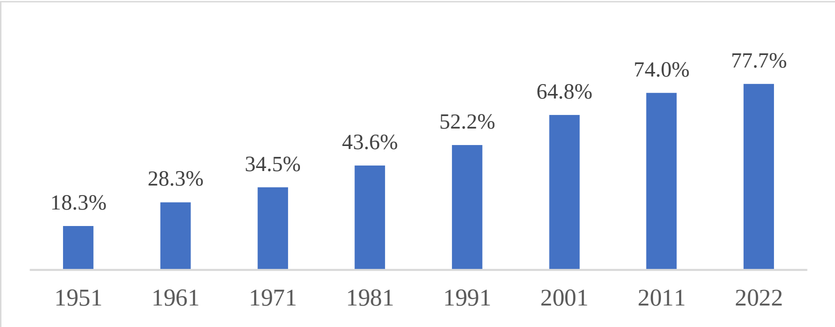


Source – Technopak Analysis

Rising Literacy rate of India

India's literacy rate in CY 22 was 77.7%, which was ~65% in CY 01. Various government initiatives for improving literacy such as New India Literacy Programme (NILP), Right to Education Act (RTE) 2009, Sarva Siksha Abhiyan, NIPUN Bharat Scheme etc. along with increasing investments by Central and State governments on education sector, have contributed immensely towards the growth in literacy rate. Therefore, this rising literacy rate along with high population growth rate is going to provide a huge customer base for Indian stationery and art materials market in future, there by serving as a key growth driver.

Literacy Rate in India (CY)

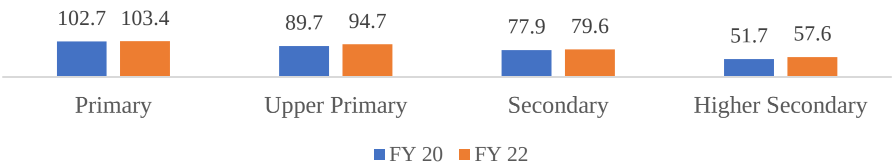


Source – (1951-2011): Census Documents, 2022: National Survey of India
Note: According to Census 2011, a person aged seven and above, who can both read and write with understanding in any language, is treated as literate.

Improvement in Gross Enrolment Ratio (GER) and increase in number of schools and institutions

As of FY 22, ~1 crore children were enrolled in pre-primary (<Class 1), ~12.2 crore in Primary (Class 1 to 5), ~6.7 crore in Upper Primary (Class 6 to 8), ~3.9 crore in Secondary (Class 9 to 10) and 2.9 crore in Higher Secondary (Class 11 to 12). GER is defined as total enrolment in a particular level of school education, regardless of age, expressed as a percentage of the population of the official age-group which corresponds to the given level of school education in a given school year. GER has increased from 102.7 in FY 20 to 103.4 in FY 22. Similarly, for Upper primary, GER has increased from 89.7 in FY 20 to 94.7 in FY 22 and for secondary, it has increased from 77.9 in FY 20 to 79.6 in FY 22. Higher secondary saw the highest increase in GER of ~11% from 51.7 in FY 20 to 57.6 in FY 22. As of FY 22, there are 26.5 crore student studying across 14.9 lakh schools in India. As of FY 21, ~4.1 crore students are studying in higher education across 56,200 higher education institutes in India. Such larger number of schools and institutions along with improvement in GER is going to immensely increase the consumer base for stationery products, there by driving its demand.

School Gross Enrolment Ratios in FY



Source – Economic Survey 2022-23

Integration of arts and crafts in school curriculums

Continuous emphasis is being given to arts and crafts education in school curriculums as it helps in developing basic skills including creativity and thinking from a young age. Parents are also realising the importance of overall personality development from a young age and hence are encouraging their children to undertake extracurricular activities such as art and craft projects.

Increasing private coaching segment

In India, many students opt for private tuition and coaching at school and university level for preparation of school exams, board exams, competitive exams etc. As a result of which many private coaching institutions and ed-tech companies are opening now a days. This had led to increase in per person spending on stationery items as additional notebooks, pens, pencils etc. are required for coaching. Additionally, such institutes and ed-tech companies give branded kits to their students including notepads, pens, highlighters etc. As of CY 22, the market size of Indian coaching industry is ~INR 58,100 crores by value, which is projected to reach ~INR 1,34,000 crores by CY 28. This is going to drive the demand for stationery products in India.

Gifting Trends

Corporate gifting has become an important part of businesses. Corporates give stationery gifts to clients and employees in order to maintain good relationships. Innovative and customised stationery products such as customised pens with company's brand logo on it, are one of the most preferred choices for corporate gifting. Such gifting trends are going to drive the demand for stationery products especially of premium category in India. Additionally, Children are also given kits and combos stationery gifts by parents on their birthdays and as return gift. Prominent players like DOMS, Kokuyo Camlin are manufacturing attractive combos and kits set. This gifting trend among children is also going to drive the stationery market in India.

Examples of Gifting products by different players

Source – Secondary Research

Impulse Purchase

Impulsive purchase is high in the stationery category. People tend to purchase pens, pencils, notebooks etc. at retail store without any prior planning. Macro factors such as increasing disposable income, increase in per capita income, improvement in living standards etc. are further increasing the impulse purchase in this category. Such consumer behaviour is likely to drive the Indian stationery and art materials market by volume, thereby increasing its size by value.

Policy Reforms

Various policy reforms have been incorporated by Government of India (GOI) to develop education infrastructure and improve teaching and learning accessibility. Such interventions are going to contribute towards the growth of education industry in India. As of FY 22, the Indian educational industry is valued at INR 10,55,340 crores, which is expected to grow at a CAGR of 14% to reach INR 20,29,500 crores by FY 27. Such growth in educational industry is going to boost the demand for stationery products in India.

- **New India Literacy Programme:** This is a centrally sponsored scheme, which aims to support the States and Union Territories in promoting literacy among non-literates in the age group of 15 and above. The scheme has been approved with a financial outlay of ~Rs 1,038 crores including Central share of Rs 700 crores and State share of Rs 336 crores. The scheme will cover 5 crore non-literates during the implementation period from CY 22 to CY 27.
- **National Education Policy 2020:** This policy aims at reforming Indian education system by ensuring universal access of world-class education at all levels of schooling from pre-primary school to Grade 12, by ensuring quality early childhood care and education for all children between 3-6 years etc.
- **Samagra Shiksha Scheme:** The scheme is an overarching programme for the school education sector extending from pre-school to class 12. It has been prepared with the broader goal of improving school effectiveness measured in terms of equal opportunities for schooling and equitable learning outcomes. Under this scheme, GOI has approved a financial outlay of Rs 2,94,283 crores from CY 21 to CY 26.
- **NIPUN Bharat Programme:** The main objective of the programme is to ensure that every child in the country attains foundational literacy and numeracy by the end of Grade 3, by CY 27.
- **SWAYAM (Study Webs of Active Learning for Young Aspiring Minds):** SWAYAM is an Indian Massive Open Online Course (MOOC) platform, offering free access to quality online courses from Class 9 till post-graduation to all, especially the underprivileged section in the country.
- **PM POSHAN:** Earlier known as the Mid-day Meal Scheme, PM POSHAN is an initiative designed to enhance the enrolment, retention and attendance and simultaneously improve nutritional levels among school going children studying in Classes I to VIII. The PM POSHAN scheme covers 12 crore children in India and is considered to be one of the world's largest school meal programmes.

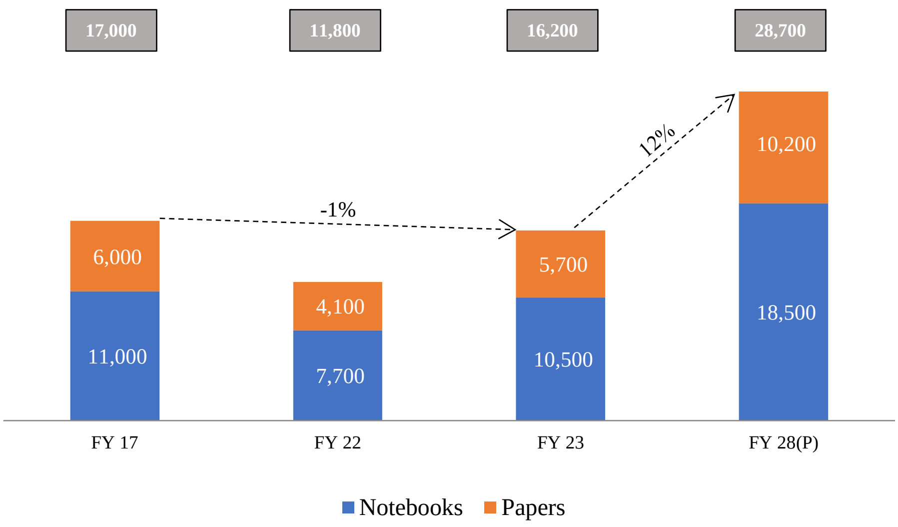
CSR Initiatives by different companies with focus on education

Many companies are making substantial investments to improve the quality of education in India, as a part of their mandatory CSR activities, which includes conducting school enrolment awareness programs/events, giving scholarships (merit and need based assistance), improving the infrastructure of schools, and providing a pleasant learning environment to children etc. For example, the CSR initiative named "School and Teacher Education Reform Programme" by ICICI Bank has covered 3 million+ students and ~3 lakhs teachers have benefitted out of it. Through "Project Nanhi Kali", which is a CSR initiative by Mahindra group to support education for underprivileged girls in India, ~5,50,000+ girls have benefitted since 1996. Such activities are going to boost the institutional / B2B demand for stationery products in India.

Indian Paper Stationery Market

Paper stationery market in India comprises of notebooks and papers. As of FY 23, the Indian domestic paper stationery market is INR 16,200 crore by value and is expected to grow at a CAGR of ~12% till FY 28 to reach a market value of INR 28,700 crore. In FY 23, notebooks formed the major share within the paper stationery market, constituting ~65% (INR 10,500 crore) by value and papers constituted ~35% (INR 5,700 crore) by value. In terms of volume, market size of notebooks is ~350 crore as of FY 23.

Indian Paper Stationery Market – By Value (INR Crore) in FY



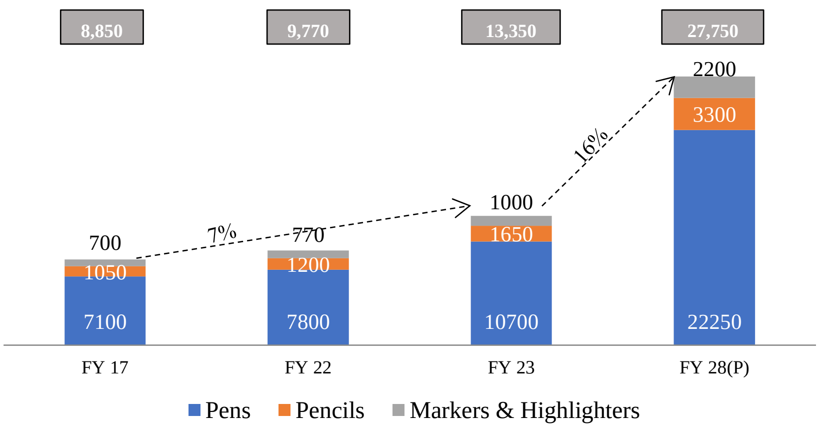
Source – Technopak Analysis
Note-This does not include exports

Indian Writing Instrument Market

Writing Instrument Market Size

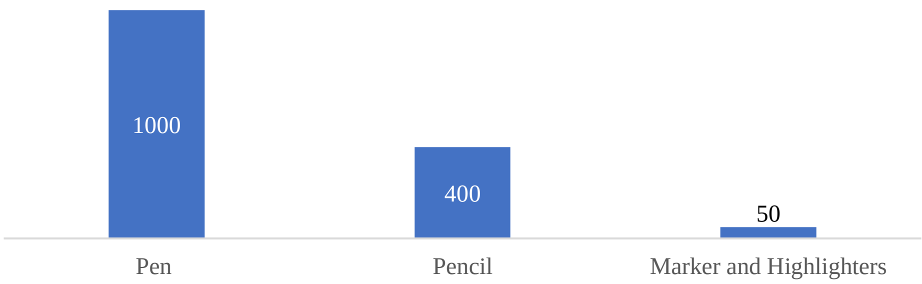
Writing instrument market in India comprises of pens, pencils and markers and highlighters. As of FY 23, the Indian domestic writing instrument market is INR 13,350 crore by value and is expected to grow at a CAGR of ~16% till FY 28 to reach a market value of INR 27,750 crore. In FY 23, Pens formed the major share within the writing instrument market, constituting ~80% (INR 10,700 crore) by value and are primarily driven by volume. Pencils constituted ~12% (INR 1,650 crore) and markers and highlighters constituted ~8% (INR 1,000 crore) of the Indian writing instruments market by value. In terms of volume, market size of pens, pencils and markers and highlighters are ~1,000 crore, ~400 crore and ~50 crore respectively as of FY 23.

Indian Domestic Writing Instrument Market – By Value (INR Crore) in FY



Source – Technopak Analysis
Note-This does not include exports.

Indian Domestic Writing Instrument Market – By Volume (in Crore) in FY 23



Source – Technopak Analysis

Key Sub-Categories of Writing Instruments

Sub-Categories of Indian Writing Instruments Industry and their product types – by Value in FY 23

Sub-Category	Market Share by Value in Indian Writing Instruments Industry	Product Type	Market Share by Value in sub-category
Pen	80%	Ballpoint	68%
		Gel	20%
		Rollerball	12%
Pencil	12%	Wooden	92%
		Polymer	7%
		Mechanical	1%
Markers and Highlighters	8%	-	-

Source – Secondary Research and Technopak Analysis

Pens: On the basis of product type, pens can be sub-categorised into ballpoint pen, gel pen and rollerball pen. As of FY 23, ballpoint pens capture ~68% of the pen market in India by value, followed by gel pens and rollerball pens capturing ~20% and ~12% of the market by value. Based on price points, pens can be classified into mass market, premium and super premium pens. Generally, pens priced up to INR 15 are referred to as mass market pens, those priced between INR 15 to INR 400 are referred to as premium pens and those priced above INR 400 are referred to as super premium pens. The mass market pens constitute ~80% of the pen market in India by value. Mass market segment is primarily driven by volume and price point becomes critical in this (difficult to increase price). Students and corporate supplies are the primary customer segment of mass market pens. Premium segment is driven by both price and volume, where in the premiumisation is built on product design and branding. These are primarily used by professionals and in corporate giftings. Super premium segment is primarily driven by price. There are also many international players like Muji, Parker and Montblanc offering pens in premium and super premium segment.

Price segmentation of Pens in India and their Market Share - by Value in FY 23

Segments	Price Points	Market Share by Value	Leading players
Mass market	Up to INR 15	80%	Linc, Flair, Cello
Premium	INR 15 – INR 400	16%	Luxor, Cello, Flair
Super Premium	>INR 400	4%	Parker, Montblanc

Source – Secondary Research and Technopak Analysis

Pencils: Pencil is the first writing instrument that children use during early years of school, and it continues to be the main writing instrument till standard V. Apart from students, architects and artists are also users of pencils. Apart from schools, colleges and offices, pencils are also used extensively in hotels and events such as conferences, seminars etc. Leading stationery brands like DOMS and Hindustan Pencils have introduced pencils of different colours and shapes, leading to the increasing demand from consumers because of their preference for attractive and good functionalities products. An example of this is 'DOMS' zoom triangle pencil. Prior to its launch in 2010, most of the pencils sold in India were hexagonal in shape.

Pencils can be sub-categorised into Wooden pencils, Polymer pencils and Mechanical pencils, where in wooden pencils constitute the majority share (~92%) by value as of FY23. Wooden pencils are available in different graphite gradings. Key players like DOMS are also manufacturing polymer pencils in which the lead is made from graphite mixed with a polymer, which makes the lead smoother. As of FY 23, polymer pencils constitute ~7% of the Indian pencil market by value while mechanical pencils constitute a minor share of the overall market. Based on price points, pencils can be classified into mass market, premium and super premium pencils. Pencils priced up to INR 5 are referred to as mass market pencils, those priced between INR 5 to INR 20 are referred to as premium pencils and those priced above INR 20 are referred to as super premium pencils. The mass market pencils constitute ~85% of the pencils market in India by value, followed by premium and super premium pencils, constituting 14%-15% and <1% respectively. Wooden and polymer pencils largely constitute the mass and premium segment pencils and mechanical pencils largely constitute the super-premium segment pencils. DOMS enjoys a dominant market share of ~29% in the overall pencils market by value in FY 23.

Price segmentation of Pencils in India and their Market Share - by Value in FY 23

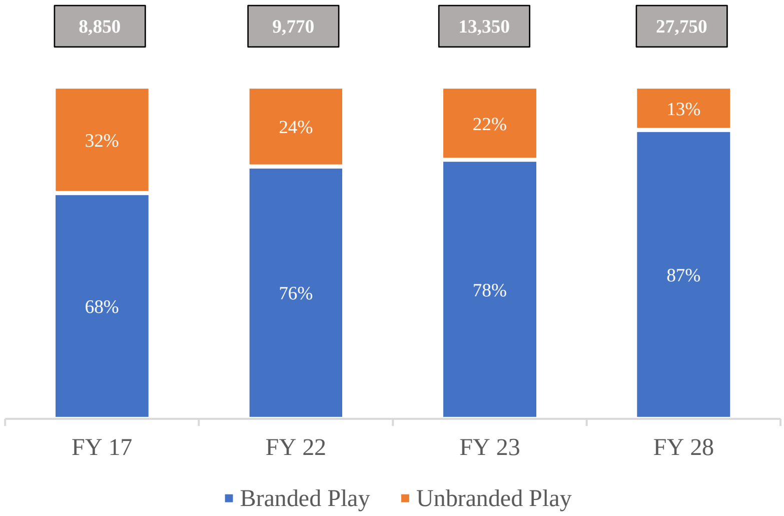
Segments	Price Points	Market Share by Value	Leading players
Mass market	Up to INR 5	85%	DOMS, Hindustan Pencils
Premium	INR 5 – INR 20	14%-15%	DOMS, Kokuyo Camlin, Hindustan Pencils
Super Premium	>INR 20	<1%	Faber Castell, Staedtler

Source – Secondary Research and Technopak Analysis

Markers and Highlighters: Markers can be sub-categorised into permanent markers, overhead projector (OHP) markers and whiteboard markers. Markers and highlighters are used in both schools and corporates.

Indian writing instrument market is primarily dominated by branded companies and its share has been growing over the last few years. As of FY23, the Branded share controls nearly 78% (~INR 10,410 crores) of the writing instrument market in India. It is estimated to capture ~87% (~INR 24,140 crores) market share by FY 28. Change in consumer preference towards premium, innovative and customised products, advent of GST regime, above the line (ATL) focussed brand building by branded players and strong distribution network of branded players servicing extensive retail footprint are going to serve as key success factors for branded players.

Share of Branded Play in Indian Writing Instrument Market – By Value in % (in FY)



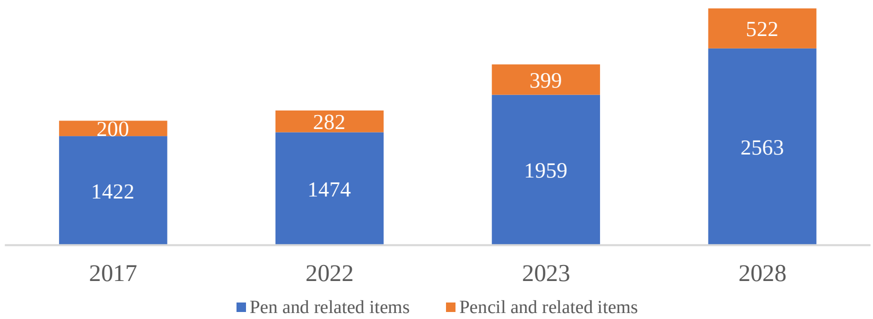
Source – Technopak Analysis

All the key trends shaping Indian stationery and art materials market such as shift towards branded play, shift towards innovative and creative products, rising penetration of e-commerce etc. are also going to shape the Indian writing instruments market, and all the key growth drivers for Indian stationery and art materials market such as favourable demographics, short replacement cycle, increasing ownership of pens per person, improvement in GER, increase in number of schools and institutions, gifting trends, impulse purchase, policy reforms by Government of India etc. are also going to drive the Indian writing instruments market.

Exports of Writing Instruments

Indian writing instrument product exports were valued at ~INR 2,358 crore in FY 23. Pen and related items formed the majority share constituting ~83% of the total writing instrument exports. India majorly exports to USA constituting ~22% of exports, followed by UAE constituting ~6%, as of FY 23. Indian stationery exports are expected to grow at a CAGR of ~6% over FY 23-28 to reach a market value of INR 3,085 crore by FY 28.

Export of Writing Instrument Products – by Value in INR Crore (FY)

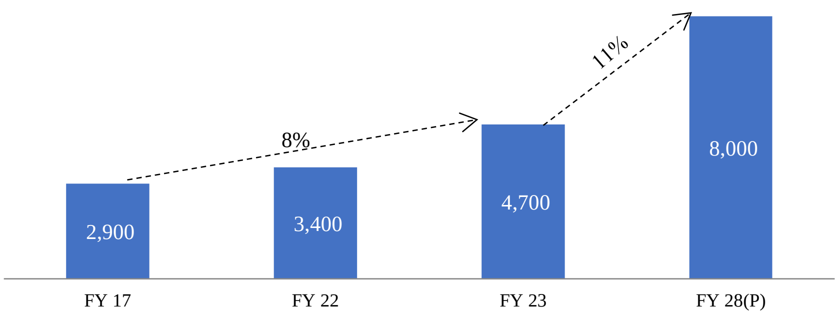


Source – TRADESTAT, Ministry of Commerce and Industry and Technopak Analysis
HS Code for Pen and related items: 9608, HS Code for Pencil and related items: 9609

Indian Office Supplies Market

Office supplies market in India comprises of files and folders, staplers, paper punches etc. As of FY 23, the Indian office supplies market is INR 4,700 crore by value and is expected to grow at a CAGR of ~11% till FY 28 to reach a market value of INR 8,000 crore.

Indian Office Supplies Market – By Value (INR Crore) in FY

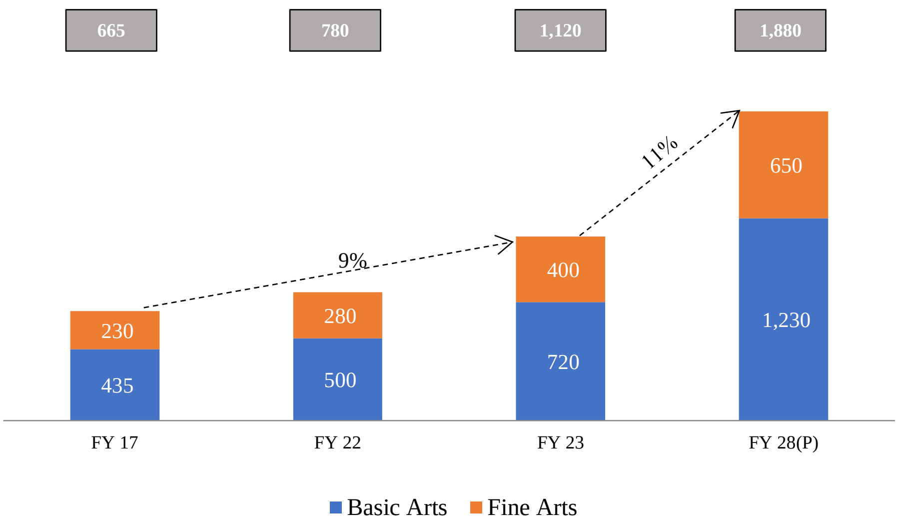


Source – Technopak Analysis
Note-This does not include exports

Indian Arts and Craft Market

The arts and craft market in India comprises of basic arts products and fine arts products. Basic arts products include crayons, oil pastels, sketch pens, poster colours etc. and fine arts products include water colours for artist, Gouache colours, artist brushes, canvas board etc. As of FY 23, the Indian arts and craft market is INR 1,120 crore by value and expected to grow at a CAGR of ~11% till FY 28 to reach a market value of INR 1,880 crore. In FY 23, basic arts products formed the major share within the art and craft market, constituting ~64% (INR 720 crore) by value and fine arts products constituted ~36% (INR 400 crore) by value.

Indian Art and Craft Market – By Value (INR Crore) in FY

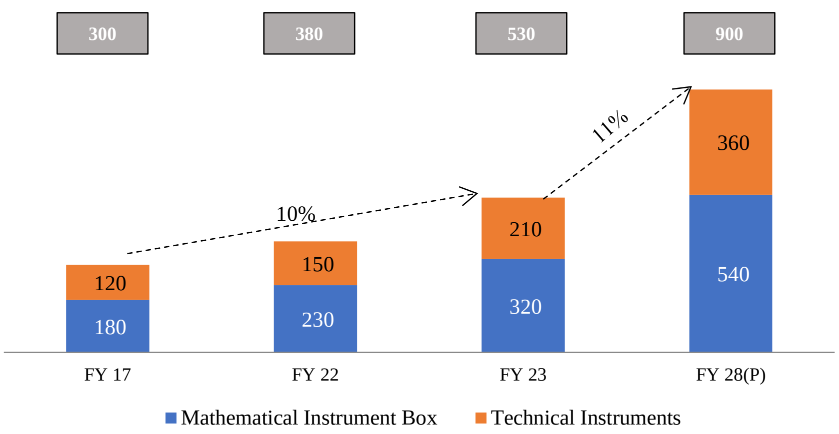


Source – Technopak Analysis
Note-This does not include exports

Indian Technical Instruments Market

The technical instruments market in India comprises of mathematical instrument boxes and technical instruments (available in individual packages) such as ruler, compass, T square, protractor, mini drafter etc. As of FY 23, the Indian technical instruments market is INR 530 crore by value and is expected to grow at a CAGR of ~11% till FY 28 to reach a market value of INR 900 crore. In FY 23, mathematical instrument box formed the major share within the technical instrument market, constituting ~60% (INR 320 crore) by value and technical instruments constituted ~40% (INR 210 crore) by value. DOMS enjoys a market share of ~30% in the mathematical instrument box market by value in FY 23.

Indian Technical Instruments Market– By Value (INR Crore) in FY

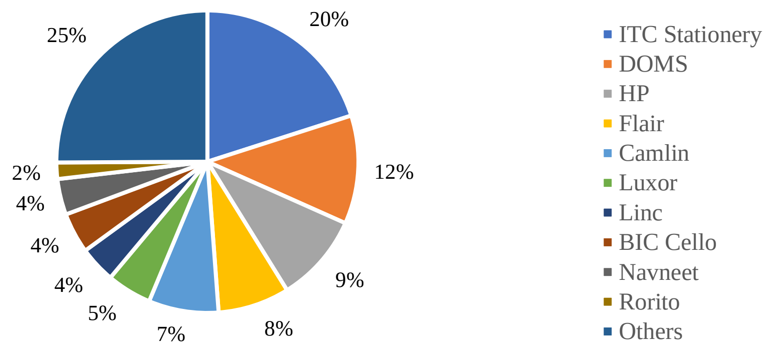


Source – Technopak Analysis
Note-This does not include exports

Key Players in the Stationery and Art Materials Industry

Nearly 36% (~INR 13,850 crores) of the stationery and art materials market in India is controlled by branded peers in FY 23. Within the domestic market, ten players namely ITC, Hindustan Pencils, DOMS, Camlin, Flair, Luxor, Linc, BIC Cello, Navneet, Rorito garner ~ 75% market share. Basis revenue from operations in FY 23, ITC is the market leader having ~ 20% market share by value, followed by companies like DOMS (~ 12% market share), Hindustan Pencils (~ 9% market share), Flair (~ 8% market share) and Camlin (~ 7% market share). Stationery and art materials is a distribution led category wherein the role of distributors and retail touchpoints is critical for capturing the market. DOMS is the second largest player in India's branded 'stationery and art' products market, with a market share of ~12%, by value, as of FY 23. It has 4,000+ distributors, 120+ super stockists spread across pan-India and has 120,000+ retail touchpoints as of September 30, 2023. DOMS offers a diverse portfolio of products, which occupy leadership positions in multiple of their respective product market categories in India.

Market share of players in Domestic Branded market in India – By Value (in FY 23)



Source – Technopak Analysis

Select Financial Metrics for Branded Players in FY 23

Player	Revenue (INR Crore)	Domestic Sales (INR Crore)	Export Sales (INR Crore)	Gross Margin (%)
DOMS	1,232	974	258	37%
Kokuyo Camlin	775	742	33	37%
Hindustan Pencils	1,100	955	150	NA
Navneet	947	380	567	50%
Luxor	490	475	14	41%
Linc	487	386	101	40%
Flair	943	758	185	46%
Rorito	174	174	0	40%
BIC Cello	550	429	121	NA
ITC Stationery	2,456	2,010	446	NA

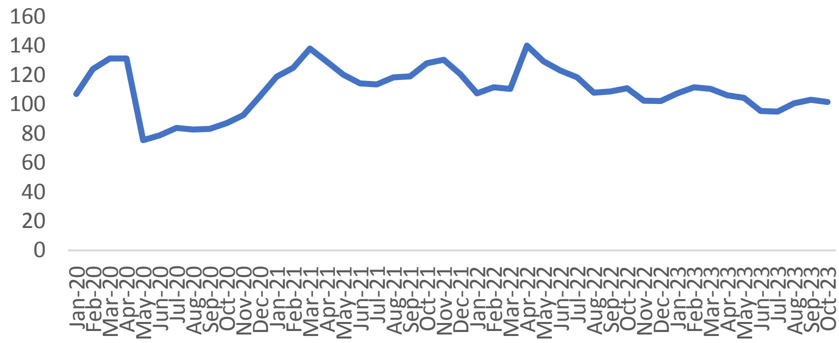
Source – Technopak Analysis, NA – Not Available; Note – 1) Revenue is the total revenue from operations from stationery segment of each player, 2) Numbers are rounded up to zero decimal places. Exports of Hindustan Pencils and BIC Cello are estimated basis earlier export numbers.

Key Challenges

Volatility in prices of raw materials

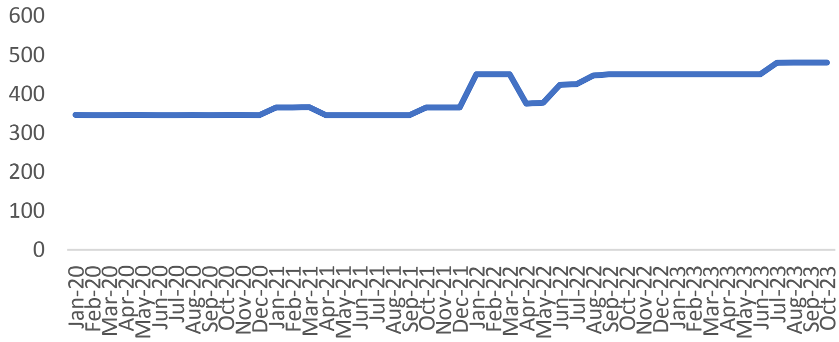
Prices of raw materials involved in manufacturing of pens such as polypropylene have been volatile over the past few years. The price of polypropylene was INR 131 per kg in March 2020, which came down to INR 79 per kg in June 2020 and then again increased to INR 138 per kg in March 2021. Prices of poplar blocks, which are used as raw material in manufacturing of pencils, have also exhibited volatility over a certain period range in last few years, The price of one unit of poplar block was INR 365 in Dec' 2021, which increased to INR 450 in Jan' 2022 and then again came down to INR 375 in April 2022. These volatility in prices poses key challenge to stationery manufacturers as increase in price of polypropylene leads to increase in raw material costs. This increase can either be passed on to the consumer or absorbed by the manufacturer or a combination of both. In volume driven category, where price point becomes critical, the corresponding increase in raw material costs is primarily absorbed by the manufacturers, thereby impacting the overall margin structure of the players. However, in high margin products, the corresponding increase in raw material cost is also passed on to the consumers. Therefore, the industry follows a combination of both absorption of costs and passing on the increase in cost to consumers.

Price of Polypropylene B400 MN per kg from CY 20 to CY 23 October



Source – Technopak Analysis

Price of Poplar blocks per unit from CY 20 to CY 23 October



Source – Technopak Analysis

Intense Competition

Several companies have entered the stationery market with attractive and differentiated offerings at similar / lower price points, thereby, compelling existing players to come up with continuous innovation in order to maintain and grow their market share. Many companies are also diversifying into new stationery categories in order to increase their market share. Additionally, branded players through above the line (ATL) focussed brand building are concentrating on further increasing their market share in stationery market. All these have given rise to intense competition in stationery market in India.

Digitalisation

Digitalisation is transforming the education ecosystem works, with increased adoption of digital technologies in corporates, schools, and colleges. The degree of digitalisation is higher in case of corporates, because of which there has been some impact on paper stationery products, office supplies etc. While in education sector, digitalisation is happening at a faster rate, which was clearly visible during Covid, but after reopening of schools, colleges, and offline coaching post covid, the usage of digital technologies has been limited. Therefore, in future both conventional stationery and digital technologies will go hand in hand in Indian education sector with conventional stationery being prevalent.

Competitive Landscape

There are many fundamental and long-term macro drivers and opportunities such as increase in gross enrolment ratio, increase in number of schools and institutions, various policy reforms by Government of India to develop education infrastructure in the country etc. that are going to drive the growth of stationery market in India. Various branded players like DOMS, Kokuyo Camlin, Hindustan Pencils etc. are focusing on brand building and are positioning themselves as reliable brands delivering products which are aesthetically designed and have good functionalities, as well as coming up with innovative and creative stationery products at similar price points.

Product Categories of Stationery

The stationery market in India has a wide range of products, and can be broadly sub-divided into notebooks, writing instruments, office supplies, art and hobby materials etc. Key branded players are present across multiple categories. DOMS has the widest breadth of product categories amongst peers in India and are amongst the few ‘stationery and art material’ products manufacturing and marketing companies globally with such product breadth. Among other factors, their presence across multiple categories and price points has enabled them to be the fastest growing ‘stationery and art material’ products company in India in terms of revenue over the period from Fiscal 2020 to Fiscal 2023.

Presence of Key Players in different categories

Player	Note books	Papers	Pens	Pencils	Marker and Highlighters	Technical Instruments	Office Supplies	Basic Arts	Fine Arts	Eraser	Sharpener	Adhesives	Others
DOMS	✓		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Kokuyo Camlin			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Hindustan Pencils			✓	✓		✓		✓		✓	✓		✓
Navneet	✓	✓		✓		✓		✓	✓	✓	✓	✓	✓
Luxor	✓		✓		✓			✓					✓
Linc			✓	✓	✓	✓		✓		✓	✓		✓
Flair			✓	✓	✓	✓		✓		✓	✓	✓	✓
Rorito	✓		✓	✓	✓			✓					
BIC Cello			✓	✓	✓	✓		✓		✓	✓		
ITC Stationery	✓	✓	✓	✓		✓		✓		✓	✓		✓
Kangaro							✓						

Source – Company Website and Technopak Analysis
Note – Technical instruments include mathematical instrument boxes and individual technical instruments such as protractor, T-square etc., Office supplies include staplers, paper punches, stamp pad and inks, files and folders etc. Basic arts products include crayons, oil pastels, sketch pens, poster colours etc. and fine arts products include water colours for artist, gouache colours, artist brushes, canvas board etc. Others include calculators, scissors, chalks, chalk holders, desk organiser, exam board, refills, ink bottles etc.

Brands and Number of Product Categories of Key Players

Player	Brands	Number of Product Categories
DOMS	DOMS, C3, AMARIZ, Fixy Fix	11
Kokuyo Camlin	Camlin, Camel	10
Hindustan Pencils	Nataraj, Apsara, Nataraj Pens	7
Navneet	Navneet, Youva	10
Luxor	Luxor, Parker, Waterman, Pilot, Schneider	5
Linc	Linc	8
Flair	Flair World Class Pens, Hauser Germany, Pierre Cardin Paris, Rudi Kellner Germany, Flair Creative, Flair Electronic Calculator, Hauser Artz, ZIG	9
Rorito	Rorito	5
BIC Cello	BIC Cello	7
ITC Stationery	Classmate, Paperkraft	9
Kangaro	Kangaro	1

Source – Company Website and Technopak Analysis, NA-Not Available

Manufacturing Capabilities, Distribution and Retail Network

The stationery and art materials industry is fragmented and distribution-led, and entry barriers include economies of scale, high capital requirements, extensive distribution network and retail footprints.

Key players in Indian stationery and art materials market are able to create brand value by producing high quality, innovative and creative products through their state-of-the-art manufacturing facilities. They have been able to increase their share in the market through strong distribution network servicing extensive retail footprints across India. Key players like DOMS have 3,750+ distributors, 100+ super stockists spread across pan-India and has

1,15,000+ retail touchpoints as of FY 23. Further, DOMS's Umbergaon manufacturing facility is spread over ~ 34 acres of land covering ~ 1.18 million square feet and is one of the largest stationery manufacturing facilities in India.

Backward integration is another critical success factors for companies in this industry. For example, DOMS has a backward integrated manufacturing process for mathematical instrument boxes. This provides them significant efficiencies, leading to a market leadership position in this product category in a very short period of time.

Manufacturing facilities, Distribution and Retail Touch Points of key players in FY 23

Players	Manufacturing facilities	Super Stockists / Distributors	Retail Outlets
DOMS	Manufacturing facilities are in Umbergaon, Gujarat and Jammu & Kashmir, India. The Company's Manufacturing activities are spread across 1 million square feet of built-up area. Annual Installed capacity: Wooden Pencils: 1,512 million, Crayons: 1,058 million, Mathematical Instrument Box : 15 million, Water Colour Pens (Sketch Markers): 70 million packs, Erasers: 650 million, Exercise books: 36.72 million, Polymer Pencils: 396 million, Sharpeners: 420 million, Ball Point Pens: 250 million, Drawing & Sketch Book: 7.56 million, All Types of Markers: 43.50 million, Water Colour Cakes: 122.40 million, Tempera Colour: 18.75 million packs, Scales: 135 million	Super Stockists: 100+, Distributors: 3,750+	1,15,000+
Kokuyo Camlin	Two manufacturing facilities in Patalganga and Tarapur.	NA	3,00,000+
Hindustan Pencils	10 factories spread across 5 different locations in India. Capacity: 8 million pencils, 1.5 million sharpeners, 2.5 million erasers, 0.2 million scales, 1 million pens daily	NA	NA
Navneet	3 manufacturing units in Maharashtra, Gujarat & Silvassa.	Distributors: 1800+	48,000+
Luxor	Seven manufacturing facilities in Delhi-NCR and Mumbai (one manufacturing unit in Gurgaon, four manufacturing units in Noida, U.P, one manufacturing in Haridwar and one in Mumbai, Maharashtra). Capacity: 7 million + pens per day	NA	NA
Linc	Manufacturing facilities are located in Umbergaon (Gujarat), Falta (SEZ) and Serakole (West Bengal) Capacity: 10 lakh pens per day	Distributors: 2650+	2,18,000+
Flair	Eleven manufacturing plants, three in Valsad, Gujarat; one in Naigaon (near Mumbai), Maharashtra; five in Daman, Union Territory of Dadra and Nagar Haveli and Daman and Diu; and two in Dehradun, Uttarakhand. Capacity: annual production of 1,474 million pieces of various stationery products (pens, pencils, crayons, calculators etc.)	7,754	3,15,000
Rorito	Large manufacturing base with facilities in Chennai and Pondicherry	Redistribution Stockists: 1800, Main Stockists: 27	3,00,000
BIC Cello	Five manufacturing plants in India, three in Daman, one each in Gujarat and Uttarakhand	NA	NA
ITC Stationery	NA	NA	NA

Source – Annual Report, Company Website, NA – Not Available

Diversity Metrics of key players

Indian stationery and art materials market exported products valued ~INR 5,732 crore in FY 23 to major export markets like USA. Many branded players are generating a significant share of their revenue through exports. Key players like DOMS have exported stationery products valued INR 258 crores in FY 23.

Key players in the industry generate a substantial share of their revenues from a single category. For example, players like Hindustan Pencils and Luxor generate ~60% and ~75% respectively of revenue from its largest category. On the other hand, DOMS generated only ~34% of revenue from its largest category in FY23, lowest among its peers, showcasing a de-risked business profile and headroom to grab market share across categories.

Diversity Metrics of key players in FY 23

Player	Contribution from Largest Segment	Domestic Sales (%)	Export Sales (%)
DOMS	~34%	79%	21%
Camlin	~80%	96%	4%
Hindustan Pencils	~60%	87%	13%
Navneet	~80%	40%	60%
Luxor	~75%	97%	3%
Linc	~92%	79%	21%
Flair	~86%	80%	20%
Rorito	~75%	100%	0%
BIC Cello	~80%	78%	22%
ITC Stationery	~85%	82%	18%

Source – Technopak Analysis
Note- The segments in consideration for above analysis are writing instruments, paper stationery, art and craft and others. Exports of Hindustan Pencils and BIC Cello are estimated basis earlier export numbers.

Consumer following of key players

To further enhance the brand's positioning as B2C players over the years, many companies have been investing in social media marketing. Top branded stationery players have already established their presence in leading social media channels like Instagram, YouTube, Facebook etc. These social media channels are immensely powerful marketing tools that helps the company connect with a large number of audience, increase brand awareness, and increases sales.

DOMS is among the topmost followed stationery and art material brands in India with a large following of over 1 million followers on YouTube, and over 40,000 followers on Instagram.

Social medial following of key players (in '000) as of November 08, 2023

Player	Followers on YouTube	Followers on Instagram
DOMS	1,010	41.6
Camlin	38.4	94.6
Hindustan Pencils	1	34.1
Navneet	15.5	13.9
Luxor	7	17.7
Linc	8. 76	24.4
Flair	2.15	10.3
Rorito	0.57	5.5
BIC Cello	23.9	18.4
ITC Stationery	25.7	114.2

Source – Technopak Analysis, Note- Data is as of November 08, 2023

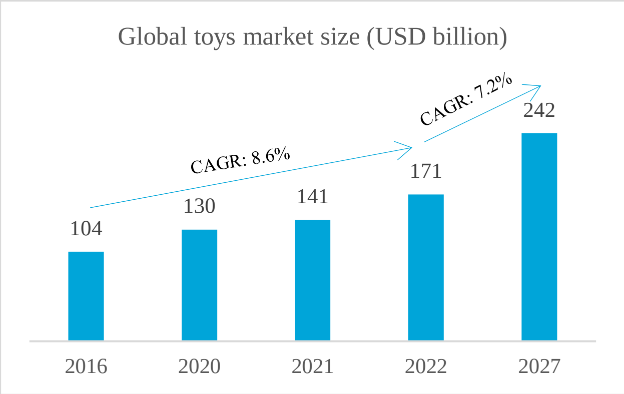
TOY INDUSTRY IN INDIA

Evolution of Toys in India

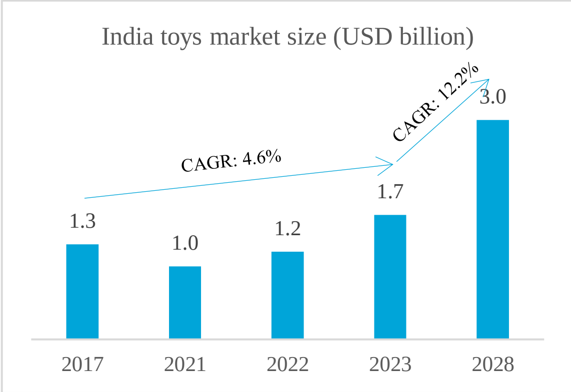
Toys have been an integral part of Indian culture for over 5,000 years, with a rich history that reflects diverse cultures, traditions, and communities. From simple clay toys to complex mechanical ones, toys have been discovered in ancient civilizations, showcasing their importance throughout history. In recent times, toys have evolved to keep up with technology and changing market demands, providing not only entertainment but also aiding in the development of important skills such as motor, psychomotor, and cognitive skills including the potential to enhance intelligence quotient, improve concentration and creativity, and foster logical and spatial reasoning skills, improve curiosity, self-esteem, and emotional stability among children. Additionally, they can support social interaction and communication skills among children. Examples of toys include dolls, puzzles, cards, action figures, board games, rattles, construction and building toys, kitchen sets, mechanical cars etc.

The global Toy industry is booming, with a valuation of approximately USD 171 billion in CY 22 and an expected growth rate of ~7.2% between CY 22 and CY 27, thus expected to reach a market size of approximately USD 242 billion by CY 27, compared to a CAGR of 8.6% between CY 16 to CY 22. Despite this, India's current share in the global toy market remains less than 1%, valued at USD 1.2 billion in FY 22 and is expected to reach USD 3 billion by FY 28, exhibiting a CAGR of 12.2% during FY 23 and FY 28.

Market size for Toys – Global (CY)



Market size for Toys India (FY)

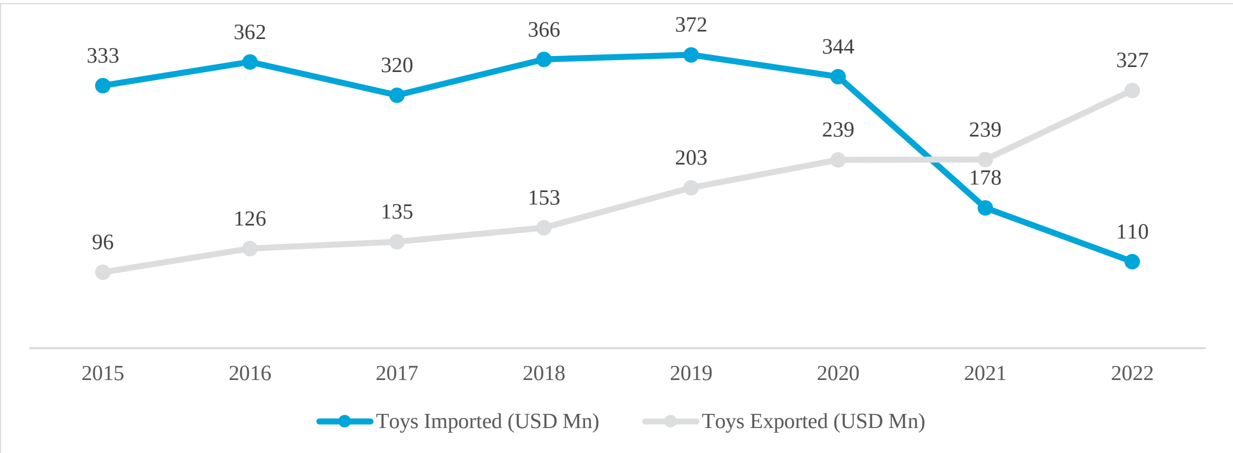


Source: Secondary Research

The domestic toy industry experienced a fluctuating growth trajectory during the year FY 17 to FY 23, mainly attributed to the COVID-19 pandemic. The outbreak caused disruptions in the supply chain and a decline in consumption due to trade restrictions and lockdown measures in several countries, resulting in a dip in the market from USD 1.3 billion in FY 17 to USD 1.0 billion in FY 21. Nevertheless, the total market size rebounded in FY 23 to USD 1.7 billion, thus exhibiting a CAGR of 4.6% between FY 17 to FY 23.

The implementation of diverse government initiatives, specifically targeted at the toy industry has facilitated a notable boost in the exports of Indian toys to over 120 countries worldwide, such as the USA, the UK, Germany, Mexico, and the Netherlands. Notably, the exports of toys beyond Indian borders have witnessed over 2x growth trajectory, going from USD 135 million to USD 327 million during the period FY 17 to FY 22.

India's Export and Import of Toys (FY)

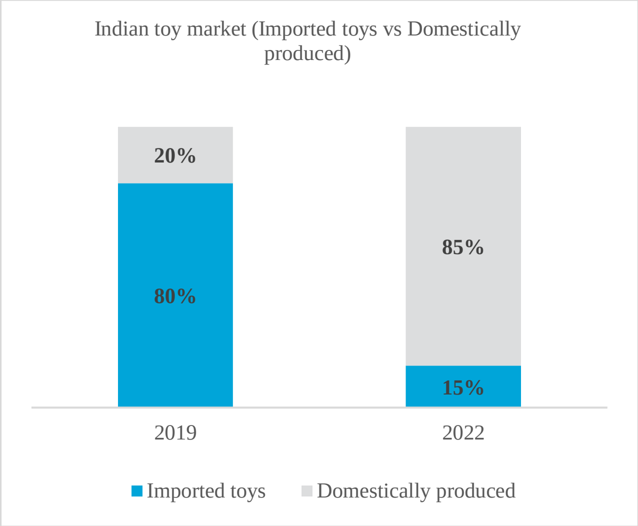


Source: Department of Commerce, Export Import Data Bank (HS Code: 9503, 9504, 9505)

Indian Toy Market – Imported toys vs Domestically produced

Over the years, the Indian toy market remained highly import dependent with the domestic industry having a small footprint. As recent as FY 19, 80% of toys were imported and the rest 20% were domestically manufactured in India. At present, the import of toys in India has dropped by 70% from USD 372 million in FY 19 to USD 110 million in FY 22.

Indian toy market (Imported toys vs Domestically manufactured) (FY)



Source: Secondary Research

During FY 16 to FY 20, India has imported major share of toys, over 85% of total imports from China. Their low price point makes them highly attractive to the customers.

In order to promote domestic toy manufacturing in India, Government of India (GOI) announced an increase in customs duty on imported toys in February 2020, from 20% to 60%. Further, the Bureau of Indian Standards made it mandatory for all toys to be certified under the new Indian Toy Safety Standard, which aimed to improve the safety and quality of toys sold in India.

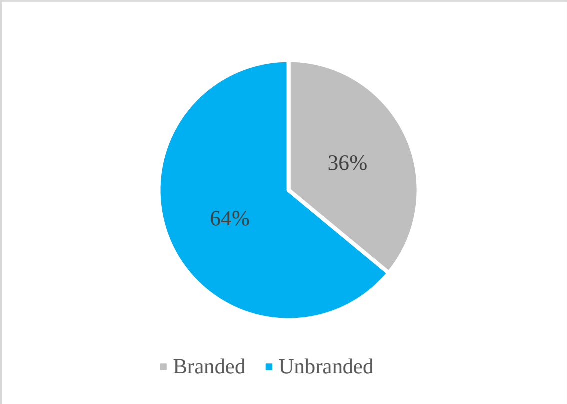
These policies are part of the government's efforts to boost domestic toy manufacturing under the "Atmanirbhar Bharat" initiative that aims to reduce the dependence on imported toys and promote the growth of the Indian toy industry. The implementation of policies by the Indian Government has also helped the industry to explore global markets enhancing the toy exports. To streamline the toy industry in India, the government has announced the 'Product Specific Industrial Cluster Development Programme' in CY 20 to build toy clusters in dedicated SEZs and help them become self-sustaining ecosystems catering to export markets.

The government has approved ***eight toy manufacturing clusters at a cost of INR 2,300 crores*** *to boost India's traditional toy industry. Three out of the eight clusters are in Madhya Pradesh, two in Rajasthan and one each in Karnataka, Uttar Pradesh and Tamil Nadu.*

Indian Toy Market – Branded vs Unbranded

The Indian toy market can be broadly divided into two segments – namely the "branded" segment, which represent only 36% of the Indian toy market share and the "unbranded" segment. With approximately over 64% of the market share, the industry is dominated by unbranded toy manufacturers with more than 4,000 micro, small and medium enterprises located across the country and predominantly operate on a cash-and-carry basis. However, there is a steady increase in the number of branded segments and even international brands entering the Indian toy market. Some major Indian brands are making inroads into the Indian toy market through the establishment of new product divisions, JVs or acquisitions. For instance, Reliance formed JV with Japanese brand Muji which sells a wide variety of products ranging from stationery, clothing, furniture, etc. to open stores in India. Further, Reliance's acquisition of Hamley's, a UK-based toy retail brand, exemplifies this trend. The toy manufacturers in India are mostly located in Delhi NCR region, Maharashtra, Uttar Pradesh, Karnataka, Tamil Nadu, and clusters across central Indian states of Madhya Pradesh and Chhattisgarh.

Indian toy market (Branded vs Unbranded market share)



Source: Secondary Research

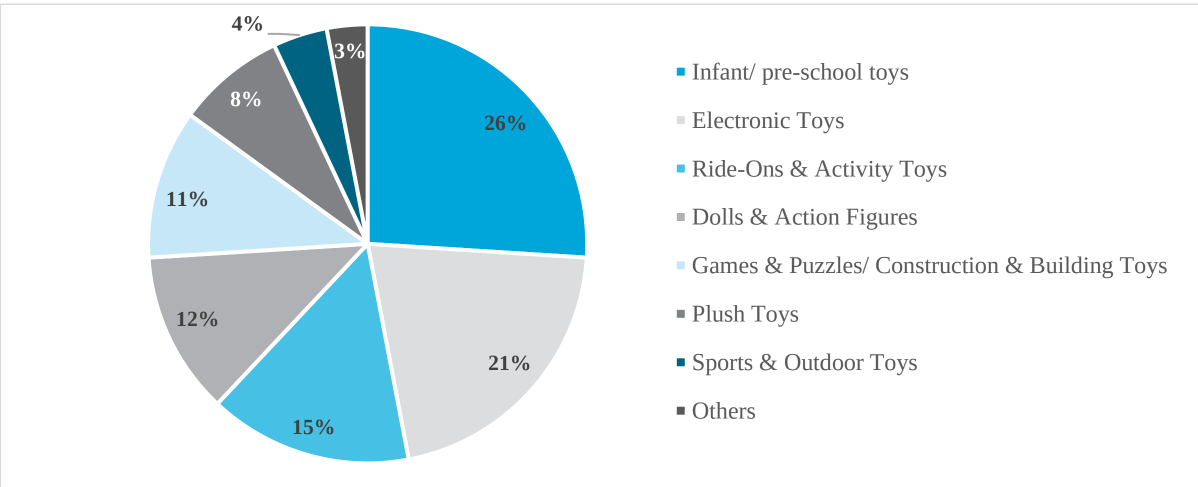
Though Indian toy industry has a high growth potential in the future years, the vastly unbranded and fragmented sector faces challenges due to the lack of design innovations, linkages with bulk buyers, quality training and testing, and low expenditure on advertising or brand building. The unbranded segment gets supplies mainly from wholesalers, who draw their supplies either from domestic manufacturers or Chinese sources resulting in low quality of products. To improve the quality of Indian toys, the government has taken several initiatives.

Initiated in CY 21, toys are under compulsory BIS certification as per the Toys (Quality Control) Order, 2020 issued by the ministry of commerce and industry under Section 16 of the BIS Act, 2016. The order mandates toys to conform to the relevant Indian safety standards and to display the BIS standard mark, which can be acquired through a license from BIS as per the scheme-I of schedule-II of BIS (conformity assessment) Regulations, 2018. It is also stated that no individual is allowed to manufacture, import, distribute, sell, lease, hire, store or showcase toys for sale without the ISI mark. BIS has granted 843 licenses to domestic manufacturers for the safety of toys. 645 licenses out of the 843 licenses have been granted for non-electric toys and 198 licenses granted for electric toys. In addition to this, 6 licenses have been granted to international toy manufacturers.

Key Categories – India's Toys Market

Notably, the largest share of ~26% is held by the infant/pre-school toys category, which can be attributed to the high number of young children in India and the demand for age-appropriate toys. Electronic toys come in second place with a share of ~21%, reflecting the growing interest in technology and interactive play experiences among Indian children. The 'ride-on & activity toys' and 'dolls & action figures' categories follow, representing ~15% and ~12% of the market respectively, as they offer a diverse range of options for imaginative and creative play.

Key categories in Toys Industry in India

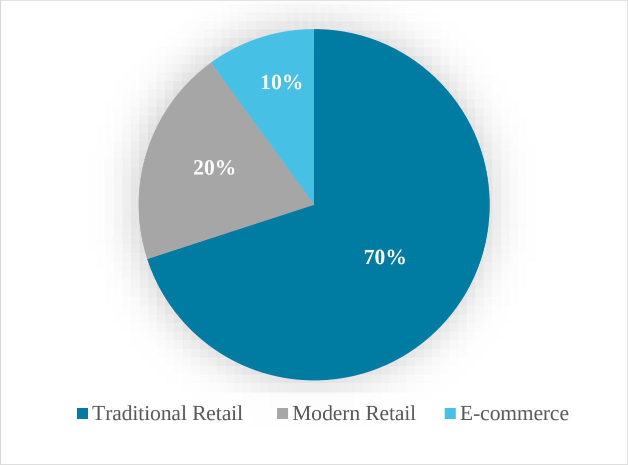


Source: Secondary Research

Retail scenario of Toys in India

The Indian toy industry is projected to grow rapidly in the coming years, and its retail scenario is evolving rapidly. While traditional retail formats such as small, family-owned toy stores continue to dominate the market, modern retail formats such as hypermarkets, supermarkets, and specialized toy stores are gaining momentum. Moreover, e-commerce is emerging as a popular retail format, driven by increasing internet penetration, rising smartphone adoption, and the convenience of online shopping.

Key categories in Toys Industry in India (%)



Source: Secondary Research

Traditional Retail Formats

Traditional retail formats such as small, family-owned toy stores continue to dominate the Indian toy industry, accounting for approximately 70% of the total sales in the country. There are over 2 lakhs small toy retail stores in India which have been operating for generations and cater to the local community's needs in the country.

Modern Retail Formats

Modern retail formats such as hypermarkets, supermarkets, and specialty toy stores are gaining momentum in India. Many international toy brands such as Hamleys, Toys "R" Us, and Sapphire have established a strong presence in the country, operating a network of exclusive brand stores and presence in multi-brand stores. Modern retail formats account for approximately 20% of the total toy sales in India.

E-Commerce

E-commerce is emerging as a popular retail format for toys in India, driven by increasing internet penetration, rising smartphone adoption, and the convenience of online shopping. The e-commerce market for toys in India accounted for approximately 10% of the total toy sales in the country in FY 22, and this share is expected to increase in the coming years.

The Indian toy industry's retail scenario is diverse, with both traditional and modern retail formats co-existing and serving different customer segments. The projected growth of the Indian toy industry and the evolving retail scenario highlight the need for manufacturers and retailers to adapt to changing consumer preferences and innovate in their product offerings and marketing strategies.

Challenges faced by Indian Toy Industry

Highly Fragmented

The toy industry is still highly fragmented, dominated by local producers. Approximately 64% of the toy manufacturing industry is unorganized and ~4000 toy industry units being from the MSME sector. They lack innovation and resources to invest in equipment and technology. Furthermore, these MSMEs also face difficulties in scaling up production due to a lack of capital and financing. This, in turn, limits their ability to compete with larger, more established companies that have the resources to invest in technology and equipment and scale up.

Influx of Foreign Toys

The inflow of cheap mechanical toys that started flowing into the country with the liberalization of the Indian economy surpassed the traditional toy market in a few years, overrunning the market with low-quality Chinese imports. As a result, many toy factories closed in the past 30 years as they could not compete with toys made in China, especially the electric and battery-operated ones.

Quality certification- Challenge for Traditional craftsmen

The government has mandated the Bureau of Standard (BIS) certification for toys. However, artisans and toy-making families in this Industry fear for their future as they have been struggling after an increase in GST on toys from 5.5% to 12%. The BIS certification process is online, and many artisans are not computer-savvy. The move has impacted many artisans and their families.

Growth Drivers for Indian Toy Industry

Large Consumer Base

India’s current population of 1.42 billion constitutes 17% of the world population, with 26.2% of India’s population in the age group of 0-15 years, which presents an enormous opportunity for the toy industry to target this young consumer base. Additionally, India’s demographic makeup is such that more than half of the population comprises teenagers and young adults, leading to an increase in demand for toys and related products.

Rising Disposable Income

In recent years, India has demonstrated robust growth in its GDP, making it one of the world’s largest economies. This trend has been accompanied by a significant increase in the size of the middle-class population. The average income of Indians has risen with a CAGR of 6.6% over the last six years, with per capita income growing from INR 1.16 lakhs in FY 17 to INR 1.70 Lakhs in FY 22. This has resulted in a notable shift in consumer behavior, with a move away from traditional and low-end battery-operated toys towards more sophisticated electronic toys, construction and building toys, activity toys as well as upmarket plush toys.

Emergence of Educational Toys

According to the Toy Association Report in 2018, 67% of parents believe in Science, Technology Engineering & Maths (STEM)-focused toys as their primary way to encourage Science and Math development in young children. STEM-focused toys are increasingly becoming popular among parents to promote scientific and mathematical skills in their young children. These toys not only provide a fun and interactive way for children to learn about STEM concepts but also help them to develop essential skills such as problem-solving, critical thinking, and creativity. This gives brands a more innovative way to increase their addressable audience.

Government Support

The Indian government has shown strong support for the country’s toy industry in recent years, including initiatives such as the establishment of the Toy Task Force and allocation of funds for the development of toy clusters across the country. Additionally, the government has introduced measures to promote domestic manufacturing and reduce reliance on imports. These efforts have been well received by industry stakeholders, who see them as critical to boosting India’s toy exports and enhancing the competitiveness of the sector.

Growth of Organized Retail Chains and Specialty Toy Retail

The retail industry in India has seen a significant growth of organized retail chains and specialty toy retail stores in recent years. Organized retail chains such as Reliance Retail and D-Mart have been expanding their presence across the country, offering a wide range of products including toys. Specialty toy retailers such as Hamleys, Sapphire, Toys “R” Us etc. have established their presence in the Indian market, offering a unique and curated selection of toys to the customers.

Government initiatives supporting the Toy Industries

With domestic toy industry having the potential to become a USD 3 billion market by FY 28, Govt. in 2020 under 'Aatma Nirbhar Bharat Abhiyan' decided to recognize 'toys' as one of the key focus sectors in which India wants to become self-reliant and reduce imports. To address this need, the government has been encouraging domestic toy manufacturing and exports through various initiatives.

Increase in Import Duty

The Government has increased import duty on toys from 20% to 60% in February 2020 to promote local manufacturing. In FY 19, toys valued at Rs. 2,960 crores were imported into India. However, government measures have aided in decreasing imports to Rs. 870 crores in FY 22. On the other hand, the exports of toys have increased by 61% from Rs 1,612 crore in FY 19 to Rs 2,601 crore in FY 22.

Increasing focus on Quality

Government of India issued Toys (Quality Control) Order, 2020 through which toys have been brought under compulsory Bureau of Indian Standards (BIS) certification. This move resulted BIS granting 843 licenses to domestic manufacturers for safety of toys, out of these, 645 licenses have been granted for non-electric toys and 198 licenses granted for electric toys. Another added benefit of mandatory certification is, that it acts as a measure to restrict import of Chinese toys that do not comply with the certification, thus lowering India's dependency on imported toys to meet the nation's demand.

Policy Changes

New Education Policy 2020: Beyond supporting livelihoods and children's right to play, toys are recognized as an essential pedagogical tool by the New Education Policy 2020. As a part of this, Ministry of Education has been asked to evaluate inclusion of indigenous toys as a major learning resource activity, The plan also includes developing kits for Ek Bharat, Shreshta Bharat, a flagship scheme of the Ministry of Education.

Educating consumers

In the realm of child development, electronic toys that are marketed as educational may not always align with their intended purpose, leading to overreliance on mobile applications and devices. Conversely, traditional toys serve a vital role in fostering language acquisition, imaginative play, and cognitive problem-solving abilities. Additionally, electronic toys can contribute to sensory impairments and postural issues, whereas traditional toys promote healthy physical development. The government is introducing a new paradigm shift to consumers, encouraging the purchase of high-quality "Made in India" toys over inferior and inexpensive imported alternatives. Advertisements are being repositioned to target parents and children as key influencers in promoting brand loyalty for Indian-made toys.

Toy Cluster Program

In India, over 4,000 micro, small, and medium enterprises operate in the toy industry, and about 64% of them comprise the unorganized sector. To improve this sector, the government introduced the 'Product Specific Industrial Cluster Development Programme' in 2020. The program aims to establish toy clusters in dedicated SEZs to create customized, self-sufficient ecosystems that can attract investments and cater to export markets. Additionally, the government is offering incentives at each stage of development, including setting up a plant, providing key resources at subsidized rates, and incentivizing operating costs.

Representative state incentives at a modern Toy Cluster - Koppal, Karnataka

Sr. No.	Components	Incentives
1	Capital Investment Subsidy	30% on Fixed Assets (Land, Building, Machinery, ETP, and Dormitory). Subsidy to be released in 5 annual instalments linked to achievement of annual sales turnover
2	Reimbursement of Stamp duty & Registration Charges	100%

Sr. No.	Components	Incentives
4	Reimbursement of Land conversion fee	100%
5	Interest Subsidy on Term loan	5% subject to a maximum of INR 7.5 crore per annum on Term Loan for 5 years
6	Power Tariff Subsidy INR 2.00 per unit for 5 years	INR 2.00 (~USD 0.03) per unit for 5 years
7	Electricity duty reimbursement 100% for 5 years	100% for 5 years
8	ESI & EPF Reimbursement (Employers Contribution)	75% for 5 years capped at 20% of VFA
9	Wage subsidy (only for direct employment and continuous employment of at least 6 months)	INR 1500/- (~USD 20) per month for 5 years
10	Freight Subsidy (Only for exports)	Only for Rail/Road freight charges to seaport as below:
		Year 1 & 2 - 75%
		Year 3, 4, & 5 - 50%
11	Rent subsidy for units within SEZ	Reimbursement of 50% of rent of maximum INR 5.00 per sq. ft. per month for 3 years (minimum lease period should be 10 years)
12	Skill development Assistance	INR 12500/- per candidate per training course of minimum 30 days or actual, whichever is less
13	Assistance for common facility centres	1. Subsidy of 25% for Common Facility Centres established for the use of multiple units on chargeable basis in the cluster.
		2. 25% cost reimbursement on Certifications.
		3. Centre of Excellence, CTPET Centre, NID Centre: Subsidy of 50% on fixed investment.

FINANCIAL BENCHMARKING

Review of financial performance

We have benchmarked the financial performance of DOMS Industries with various companies in the Indian consumer sector, basis the below criteria –

1. Core peers – These are companies operating directly and only in the creative products and stationery categories; BIC Cello, Flair Writing Industries, Hindustan Pencils, Kokuyo Camlin, Linc, Luxor Writing Instruments, Navneet Education, Rorito International.

2. Allied peers – These are companies that operate in consumer categories that similar to stationery are day to day use and have low unit values, and may also have stationery as a segment; 3M India, Gillette, ITC and Pidilite Industries.

Revenue from Operations

Revenue from operations is the top line parameter for a company's financials.

Revenue from Operations in FY (INR Crore)

Company	For the Fiscal Year ended				For the six month period ended September 30, 2023	CAGR for Fiscal 2022	CAGR for Fiscal 2023
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023			
DOMS Industries	654.0	402.8	683.6	1,211.9	761.8	2.2%	73.5%
A. Core Peers							
BIC Cello India	479.5	264.6	406.4	NA	NA	-7.9%	NA
Flair Writing Industries	725.2	298.0	577.5	942.7	NA	-10.8%	77.9%
Hindustan Pencils	959.3	488.6	770.3	NA	NA	-10.4%	NA
Kokuyo Camlin Ltd	634.0	403.1	508.5	774.9	430.6	-10.4%	38.6%
Linc Ltd	397.0	256.7	355.0	486.8	243.1	-5.4%	37.7%
Luxor Writing Instruments	365.0	231.8	334.1	489.6	NA	-4.3%	45.4%
Navneet Education Ltd	1,512.1	834.6	1,114.3	1,696.8	1,057.2	-14.2%	42.6%
Rorito International	238.3	113.1	140.7	174.0	NA	-23.2%	24.0%

Company	For the Fiscal Year ended				For the six month period ended September 30, 2023	CAGR for Fiscal 2022	CAGR for Fiscal 2023
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023			
B. Allied peers							
3M India	2,986.6	2,604.8	3,335.8	3,959.4	2089.2	5.7%	23.3%
Gillette India	1,679.1	2,009.4	2,256.2	2,477.1	NA	15.9%	11.0%
ITC Ltd	51,393.5	53,155.1	65,205.0	76,518.2	37,909.5	12.6%	20.0%
Pidilite Industries	7,294.5	7,292.7	9,921.0	11,799.1	6,351.2	16.6%	27.2%

Source: Annual Reports, Technopak Analysis
Revenue from operations = As stated in the P&L (Excluding other income)
Note: NA= Not Available
Note: CAGR has been calculated for 2-yr time period from FY 2020 to FY 2022 and FY 2021 to FY 2023
Note: ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries, and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India financials, pertain to standalone numbers.
Note: Gillette India financial year cycle is from July 2019 to June 2020 and so on. Financials for the six month period ended September 30, 2023 for the company is not published yet in public domain.

Among 'core' peers as defined above, DOMS Industries is the only company to have achieved a higher revenue in FY 2022 vs. FY 2020, indicative of the strength and resilience of the brand.

Gross Profit

Gross Profit is the top line profit after deducting the cost of goods sold from the sales generated and is indicative of the profitability of a company's products.

Gross Profit in FY (INR Crore) and Gross Profit Margin (%)

Company	For the Fiscal Year ended								For the six month period ended September 30, 2023		CAGR for Fiscal 2022	CAGR for Fiscal 2023
	March 31, 2020		March 31, 2021		March 31, 2022		March 31, 2023					
	Profit	Margin	Profit	Margin	Profit	Margin	Profit	Margin	Profit	Margin		
DOMS Industries	266.0	40.7%	157.5	39.1%	251.5	36.8%	448.5	37.0%	302.9	39.8%	-2.8%	67.0%
A. Core Peers												
BIC Cello India	225.9	47.1%	103.3	39.0%	143.6	35.3%	NA	NA	NA	NA	-20.3%	NA
Flair Writing Industries	293.1	40.4%	131.6	44.2%	269.3	46.6%	433.9	46.0%	NA	NA	-4.1%	81.6%
Hindustan Pencils	378.6	39.5%	208.6	42.7%	298.4	38.7%	NA	NA	NA	NA	-11.2%	NA
Kokuyo Camlin Ltd	253.3	39.9%	166.8	41.4%	196.0	38.5%	286.7	37.0%	165.6	38.5%	-12.0%	31.1%
Linc Ltd	148.4	37.4%	83.9	32.7%	117.5	33.1%	192.2	39.5%	95.3	39.2%	-11.0%	51.3%
Luxor Writing Instruments	164.7	45.1%	99.7	43.0%	127.8	38.2%	201.1	41.1%	NA	NA	-11.9%	42.0%
Navneet Education Ltd	783.1	51.8%	437.5	52.4%	582.6	52.3%	850.9	50.1%	503.1	47.6%	-13.7%	39.5%
Rorito International	91.5	38.4%	40.7	36.0%	49.9	35.5%	70.4	40.4%	NA	NA	-26.2%	31.5%
B. Allied peers												
3M India	1,250.3	41.9%	1,005.8	38.6%	1,245.2	37.3%	1,499.1	37.9%	829.4	39.7%	-0.2%	22.1%
Gillette India	917.3	54.6%	1,128.7	56.2%	1,206.7	53.5%	1,288.9	NA	NA	NA	14.7%	6.9%
ITC Ltd	34,048.0	66.2%	33,023.7	62.1%	38,819.9	59.5%	47,512.4	62.1%	24,291.2	64.1%	6.8%	19.9%
Pidilite Industries	3,892.0	53.4%	3,916.0	53.7%	4,476.8	45.1%	5,040.4	42.7%	3,183.7	50.1%	7.3%	13.5%

Source: Annual Reports, Technopak Analysis
Gross Profit = Revenue from Operations – COGS (sum of purchases, changes in inventory and cost of materials consumed)
Gross Margin= Gross Profit/ Revenue from Operations
Note: NA= Not Available,
Note: CAGR has been calculated for 2-yr time period from FY 2020 to FY 2022 and FY 2021 to FY 2023
Note: ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India, financials pertain to standalone numbers.
Note: Gillette India financial year cycle is from July 2019 to June 2020 and so on. Financials for the six month period ended September 30, 2023 for the company is not published yet in public domain.

EBITDA Margin

EBITDA margins is largely used to compare the operating profitability of the companies against competitors. It is also used to standardize the business performance against the industry averages.

EBITDA in FY (INR Crore) and EBITDA Margin (%)

Company	For the Fiscal Year ended								For the six month period ended September 30, 2023		CAGR for Fiscal 2022	CAGR for Fiscal 2023
	March 31, 2020		March 31, 2021		March 31, 2022		March 31, 2023					
	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin	EBITDA	Margin		
DOMS Industries	76.2	11.6%	30.0	7.5%	69.7	10.2%	186.7	15.4%	127.4	16.7%	-4.3%	149.3%
A. Core Peers												
BIC Cello India	-87.9	-18.3%	-139.7	-52.8%	-143.1	-35.2%	NA	NA	NA	NA	-27.6%	NA
Flair Writing Industries	94.0	13.0%	23.2	7.8%	98.0	17.0%	183.5	19.5%	NA	NA	2.1%	181.0%
Hindustan Pencils	35.0	3.6%	8.7	1.8%	22.3	2.9%	NA	NA	NA	NA	-20.2%	NA
Kokuyo Camlin Ltd	37.0	5.8%	8.8	2.2%	16.5	3.2%	54.4	7.0%	41.5	9.6%	-33.2%	148.0%
Linc Ltd	38.3	9.6%	10.2	4.0%	21.5	6.1%	61.4	12.6%	25.7	10.6%	-25.0%	145.6%
Luxor Writing Instruments	21.0	5.8%	4.6	2.0%	7.3	2.2%	33.0	6.7%	NA	NA	-41.2%	168.8%
Navneet Education Ltd	313.5	20.7%	87.0	10.4%	162.6	14.6%	298.0	17.6%	204.6	19.4%	-28.0%	85.1%
Rorito International	6.0	2.5%	-22.6	-20.0%	-8.5	-6.1%	0.1	0.0%	NA	NA	Na(1)	Na(1)
B. Allied peers												
3M India	449.7	15.1%	259.5	10.0%	389.2	11.7%	604.3	15.3%	366.1	17.5%	-7.0%	52.6%
Gillette India	359.0	21.4%	460.5	22.9%	482.5	21.4%	539.18	NA	NA	NA	15.9%	8.2%
ITC Ltd	19,260.2	37.5%	17,002.7	32.0%	20,658.4	31.7%	25,664.9	33.5%	13,106.2	34.6%	3.6%	22.9%
Pidilite Industries	1,576.0	21.6%	1,680.6	23.0%	1,847.3	18.6%	1,984.4	16.8%	1,386.9	21.8%	8.3%	8.7%

Source: Annual Reports, Technopak Analysis
EBITDA = Profit Before Tax, Exceptional Items and Share of Associates/Joint Ventures+ Finance Cost + D&A - Other Income
EBITDA Margin= EBITDA/ Revenue from Operations
Note: NA= Not Available, Na(1)= can't be calculated due to unavailability, negative or positive denominator.
Note: CAGR has been calculated for 2-yr time period from FY 2020 to FY 2022 and FY 2021 to FY 2023
Note: ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India, financials pertain to standalone numbers.
Note: Gillette India financial year cycle is from July 2019 to June 2020 and so on. Financials for the six month period ended September 30, 2023 for the company is not published yet in public domain.

PAT Margin

The profit after tax and PAT margins are used to assess a company's overall profitability after meeting all costs.

Profit after Tax in FY (INR Crore) and PAT Margin (%)

Company	For the Fiscal Year ended								For the six month period ended September 30, 2023		CAGR for Fiscal 2022	CAGR for Fiscal 2023
	March 31, 2020		March 31, 2021		March 31, 2022		March 31, 2023					
	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin		
DOMS Industries	36.0	5.5%	-6.0	-1.5%	17.1	2.5%	102.9	8.5%	73.9	9.7%	-31.0%	Na(1)
A. Core Peers												
BIC Cello India	-81.2	-12.0%	-215.5	-80.1%	-162.0	-39.2%	NA	NA	NA	NA	-41.2%	NA
Flair Writing Industries	37.9	5.2%	1.0	0.3%	56.2	9.6%	118.1	12.4%	NA	NA	21.7%	1,003.6%
Hindustan Pencils	8.3	0.8%	-5.4	-1.0%	6.8	0.9%	NA	NA	NA	NA	-9.3%	NA

Company	For the Fiscal Year ended								For the six month period ended September 30, 2023		CAGR for Fiscal 2022	CAGR for Fiscal 2023
	March 31, 2020		March 31, 2021		March 31, 2022		March 31, 2023					
	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin	PAT	Margin		
Kokuyo Camlin Ltd	4.4	0.7%	-14.6	-3.6%	-4.7	-0.9%	24.4	3.1%	27.8	6.4%	Na(1)	Na(1)
Linc Ltd	19.2	4.8%	0.0	0.0%	8.1	2.3%	37.4	7.6%	15.1	6.1%	-35.0%	Na(1)
Luxor Writing Instruments	1.4	0.4%	-9.4	-4.0%	-5.0	-1.5%	6.6	1.3%	NA	NA	Na(1)	Na(1)
Navneet Education Ltd	197.3	12.9%	55.9	6.6%	74.4	6.6%	203.8	11.9%	180.5	17.0%	-38.6%	90.9%
Rorito International	-7.6	-3.2%	-39.1	-34.3%	-27.3	-19.2%	-14.3	-8.1%	NA	NA	-89.4%	39.6%
B. Allied peers												
3M India	322.2	10.6%	162.4	6.2%	272.0	8.1%	451.0	11.2%	275.3	13.0%	-8.1%	66.7%
Gillette India	230.2	13.6%	310.4	15.2%	289.3	12.8%	355.7	14.2%	NA	NA	12.1%	7.0%
ITC Ltd	15,592.8	28.9%	13,382.9	24.0%	15,503.1	23.1%	19,476.7	24.8%	10,136.0	25.8%	-0.3%	20.6%
Pidilite Industries	1,122.1	15.1%	1,126.1	15.3%	1,206.8	12.1%	1,288.9	10.9%	932.2	14.6%	3.7%	7.0%

Source: Annual Reports, Technopak Analysis
PAT = Profit after tax (Total Profit for the Period)
PAT Margin= PAT / Total Income
Note: NA= Not Available, Na(1)= can't be calculated due to unavailability, negative or positive denominator.
Note: Note: CAGR has been calculated for 2-yr time period from FY 2020 to FY 2022 and FY 2021 to FY 2023
Note: ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India, financials pertain to standalone numbers.
Note: Gillette India financial year cycle is from July 2019 to June 2020 and so on. Financials for the six month period ended September 30, 2023 for the company is not published yet in public domain.

Return on Equity

Return on equity is a function of profit after tax and shareholder's equity. A sustainable business and increasing ROE over time can indicate a good value generation ability for the shareholders.

Return on Equity (%) (in FY)

Company	For the Fiscal Year ended				For the six month period ended September 30, 2023
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	
DOMS Industries	14.7%	-2.5%	6.6%	28.9%	17.5%
A. Core Peers					
BIC Cello India	-11.3%	-42.4%	-47.4%	NA	NA
Flair Writing Industries	14.6%	0.4%	17.7%	27.1%	NA
Hindustan Pencils	4.9%	-3.3%	4.2%	NA	NA
Kokuyo Camlin Ltd	1.7%	-6.0%	-2.0%	9.3%	9.7%
Linc Ltd	14.1%	0.0%	5.7%	21.1%	8.2%
Luxor Writing Instruments	1.1%	-8.1%	-4.6%	5.6%	NA
Navneet Education Ltd	22.9%	6.0%	7.8%	12.9%	7.9%
Rorito International	-17.1%	-726.6%	124.6%	72.6%	NA
B. Allied Peers					
3M India	18.4%	8.5%	12.5%	26.9%	15.0%
Gillette India	25.3%	39.3%	33.6%	36.0%	NA
ITC Ltd	23.8%	22.0%	24.7%	28.0%	14.6%
Pidilite Industries	24.0%	19.3%	18.3%	17.3%	12.0%

Source: Annual Reports, Technopak Analysis
Return on Equity = PAT / Closing Total Share Equity
Note: NA= Not Available,
Note: ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India, financials pertain to standalone numbers.
Note: Gillette India financial year cycle is from July 2019 to June 2020 and so on. Financial for H1 FY 24 for the company is not published yet in public domain.
Note: The numbers for the six month period ended September 30, 2023 are not annualized and are based on six-month financials.

Return on Capital Employed

ROCE (Return on Capital Employed) indicated the company's efficiency by measuring the profitability of the business after factoring in the capital used by the company to generate profits. ROCE is a good indicator of the company's performance over long periods.

Return on Capital Employed (in FY)

Company	For the Fiscal Year ended				For the six month period ended September 30, 2023
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	
DOMS Industries	20.0%	5.9%	11.5%	36.8%	19.2%
A. Core Peers					
BIC Cello India	-18.4%	-30.3%	-44.6%	NA	NA
Flair Writing Industries	19.0%	3.5%	20.4%	33.5%	NA
Hindustan Pencils	13.0%	6.3%	10.8%	NA	NA
Kokuyo Camlin Ltd	6.6%	-3.5%	-0.2%	14.6%	12.8%
Linc Ltd	17.5%	-0.8%	7.8%	27.7%	10.3%
Luxor Writing Instruments	8.2%	-2.0%	1.8%	14.2%	NA
Navneet Education Ltd	32.2%	5.6%	13.4%	21.4%	13.7%
Rorito International	-8.3%	-54.4%	-68.8%	-25.8%	NA
B. Allied Peers					
3M India	24.2%	11.3%	16.5%	35.4%	19.5%
Gillette India	32.8%	50.1%	44.7%	43.7%	NA
ITC Ltd	29.8%	28.5%	31.9%	35.8%	18.8%
Pidilite Industries	31.6%	24.4%	22.9%	21.7%	15.3%

Source: Annual Reports, Technopak Analysis
Return on Capital Employed= EBIT (Profit Before Tax, Exceptional Items and Share of Associates/Joint Ventures +Finance Cost)/ Closing Capital Employed (Total Assets – Current Liabilities)
Note: NA= Not Available
Note: ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India, financials pertain to standalone numbers.
Note: Gillette India financial year cycle is from July 2019 to June 2020 and so on. Financial for H1 FY 24 for the company is not published yet in public domain.
Note: The numbers for the six month period ended September 30, 2023 are not annualized and are based on six-month financials

Working Capital Cycle

Cash conversion cycle describes the number of days it takes for a company to convert its working capital into sales generating cash. The lower the days, the more efficient the business is.

Working capital days (in FY)

Company	For the Fiscal Year ended				For the six month period ended September 30, 2023
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	
DOMS Industries	55	96	68	40	37
A. Core Peers					
BIC Cello India	161	204	70	NA	NA
Flair Writing Industries	132	252	178	124	NA
Hindustan Pencils	84	141	70	NA	NA
Kokuyo Camlin Ltd	108	127	100	75	62
Linc Ltd	78	85	60	59	57
Luxor Writing Instruments	43	59	46	31	NA
Navneet Education Ltd	167	228	208	192	120
Rorito International	25	56	31	6	NA
B. Allied Peers					
3M India	81	62	52	44	40
Gillette India	41	28	14	8	NA
ITC Ltd	55	59	50	48	69

Company	For the Fiscal Year ended				For the six month period ended September 30, 2023
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	
Pidilite Industries	70	77	76	71	61

Source: Annual Reports, Technopak Analysis
Working Capital Days= Days Inventory + Days Receivables – Days Payables
*Days Receivable = (Trade Receivables / Revenue from Operations) *365 (FY 2020 to FY 2023) and (Trade Receivables / Revenue from Operations) *183 (HY(1st) 2024)*
*Inventory Days = (Inventory / Revenue from Operations) *365 (FY 2020 to FY 2023) and (Inventory / Revenue from Operations) *183 (H1 FY 2024)*
*Days Payable = (Trade Payables / Revenue from Operations) *365 (FY 2020 to FY 2023) and (Trade Payables / Revenue from Operations) *183 (H1 FY 2024)*
Note: NA= Not Available
Note: DOMS Industries, ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India, financials pertain to standalone numbers.
Note: Gillette India financial year cycle is from July 2019 to June 2020 and so on. Financial for H1 FY 24 for the company is not published yet in public domain.
Note: The numbers for the six month period ended September 30, 2023 are not annualized and are based on six-month financials.

Gross Fixed Asset Turnover Ratio

Gross Fixed Asset Turnover Ratio measures the efficiency with which a company uses its fixed assets to generate sales. A high fixed asset turnover ratio reflects higher efficiency in the company's assets.

Asset Turnover Ratio (in FY)

Company	For the Fiscal Year ended				For the six month period ended September 30, 2023
	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023	
DOMS Industries	3.4	1.9	2.8	3.3	1.7
A. Core Peers					
BIC Cello India	1.2	0.6	0.9	NA	NA
Flair Writing Industries	2.7	1.1	1.9	2.5	NA
Hindustan Pencils	2.4	1.2	2.0	NA	NA
Kokuyo Camlin Ltd	2.9	1.8	2.5	3.8	NA
Linc Ltd	3.5	2.2	2.5	3.0	NA
Luxor Writing Instruments	1.9	1.2	1.6	2.3	NA
Navneet Education Ltd	3.4	1.8	2.3	3.4	NA
Rorito International	1.1	0.5	0.6	0.7	NA
B. Allied Peers					
3M India	7.0	6.0	6.7	7.2	NA
Gillette India	3.4	3.6	3.3	3.1	NA
ITC Ltd	2.0	2.0	2.3	2.4	NA
Pidilite Industries	3.3	2.9	3.4	3.7	NA

Source: Annual Reports, Technopak Analysis
Gross Fixed Asset Turnover Ratio= Revenue from Operations / Gross Property Plant and Equipment
Note: NA= Not Available
Note: DOMS Industries, ITC Ltd, Navneet Education, Flair Writing Industries, Luxor Writing Instruments, Hindustan Pencils, BIC Cello India, Pidilite Industries and 3M India financials pertain to consolidated numbers.
Note: Kokuyo Camlin, Linc Ltd, Rorito International, Gilette India, financials pertain to standalone numbers.
Note: Gillette India financial year cycle is from Jul 2019 to June 2020 and so on. Financial for H1 FY 24 for the company is not published yet in public domain.
Note: The numbers for the six month period ended September 30, 2023 are not annualized and are based on six-month financials.

OUR BUSINESS

Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to the Company along with its Subsidiaries, on a consolidated basis and references to our "Company" refers to DOMS Industries Limited on a standalone basis. To obtain a complete understanding of our Company and business, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 32, 133, 283 and 356, respectively as well as financial and other information contained in this Red Herring Prospectus as a whole. Additionally, please refer to "Definitions and Abbreviations" on page 1 for definition of certain terms used in this section.

*The industry information contained in this section is derived from the industry report on "Industry Report on the Stationery and Art Material Market in India" dated November 23, 2023, which is exclusively prepared for the purposes of the Offer and issued by Technopak and is commissioned and paid for by our Company ("**Technopak Report**"). Technopak was appointed on March 17, 2023. We commissioned and paid for the Technopak Report for the purposes of confirming our understanding of the industry specifically for the purposes of the Offer, as no report is publicly available which provides a comprehensive industry analysis, particularly for our products, that may be similar to the Technopak Report.*

Some of the information set out in this section, especially information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 20 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" on page 32 for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Information included in this Red Herring Prospectus, which includes the restated consolidated financial statements of the Company as at and for the financial years ended March 31, 2021, 2022 and 2023 and the six months period ended September 30, 2023, respectively.

OVERVIEW

We design, develop, manufacture, and sell a wide range of stationery and art products, primarily under our flagship brand 'DOMS', in the domestic market as well as in over 45 countries internationally, as of September 30, 2023. We are the second largest player in India's branded 'stationery and art' products market, with a market share of ~12% by value, as of Fiscal 2023 *(Source: Technopak Report).* Our keen focus on research and development (R&D), product engineering, and backward integrated manufacturing, operations, combined with our multi-channel pan-India distribution network has enabled us to achieve a strong brand recall amongst consumers. For details in relation to our endeavours towards R&D, product engineering and backward integration, please see "*Our Business – Strong brand recall driven by high quality, innovative and differentiated products*", "*Our Business – Robust manufacturing, with a focus on backward integration to drive efficiencies*" and "*Our Business - Research and Development and Design*" on page 206, 207 and 224, respectively. Our core products such as 'pencils' and 'mathematical instrument boxes' enjoy high market shares; 29% and 30% market share by value in Fiscal 2023 respectively *(Source: Technopak Report).*

We offer well-designed and quality 'stationery and art material' products to consumers, which we classify across seven categories: (i) scholastic stationery; (ii) scholastic art material; (iii) paper stationery; (iv) kits and combos; (v) office supplies; (vi) hobby and craft; and (vii) fine art products.

Scholastic Stationery	Scholastic Art Material	Hobby & Craft	Office Supplies	Paper Stationery	Fine Art Products	Kits & Combos
• Black Lead Pencils • Mechanical Pencils • Erasers • Sharpeners • Mathematical Instruments • Chalk & Chalk Holders	• Wax Crayons • Oil Pastels • Colour Pencils • Plastic Crayons • Poster Colours • Water Colours • Sketch Markers • Brush Pens • Tempera Colours • Brushes	• Modelling Clay • Playing Dough • Glitter Glue • Liquid Glue	• Pens • Board Markers • Permanent Markers • Correction Pens • Glue Sticks	• Notebooks • Exercise Book • Drawing Book • Sketch Pads • Executive Diaries • Conference Pads	• Artists Pencils • Kneadable Erasers • Water Colours for Artist • Gouache Colours • Varnishes & Mediums • Inks • Canvases • Artist Papers • Brushes for Artists • A wide range of Artist Essentials	• Stationery Kits • Art Material Kits • Painting Kits • Combo Packs
SKU Count : 392	SKU Count : 283	SKU Count : 45	SKU Count : 146	SKU Count : 418	SKU Count : 2531	SKU Count : 63

As per the Technopak Report, we have the widest breadth of product categories amongst our peers in India and are amongst the few 'stationery and art material' products manufacturing and marketing companies globally with such a wide product breadth. Among other factors, our presence across multiple such categories and price points has enabled us to be the fastest growing 'stationery and art material' products company in India in terms of revenue over the period from Fiscal 2020 to Fiscal 2023 *(Source: Technopak Report)*.

The table below sets forth a break-up of our Gross Product Sales across our product categories for Fiscals 2021, 2022 and 2023 and the six months period ended September 30, 2023:

Product Category	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023^	
	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales
Scholastic stationery	1,910.03	46.24	3,269.83	47.18	5,688.06	46.18	3,543.59	45.62
Scholastic art material	975.20	23.61	1,663.70	24.00	2,927.97	23.77	2,029.86	26.13
Paper stationery	402.54	9.75	640.78	9.25	1,273.52	10.34	773.15	9.95
Kits and combos	464.95	11.26	796.86	11.50	1,263.83	10.26	672.58	8.66
Office supplies	245.60	5.95	403.06	5.82	752.45	6.11	488.05	6.28
Hobby and craft	3.72	0.09	6.46	0.09	157.26	1.28	112.64	1.45
Fine art products	58.13	1.41	96.20	1.39	141.69	1.15	83.18	1.07
Others	70.28	1.70	54.06	0.78	112.56	0.91	65.34	0.84
Grand Total	**4,130.45**	**100.00**	**6,930.95**	**100.00**	**12,317.34**	**100.00**	**7,768.39**	**100.00**

^Figures for September 30, 2023 are not annualised.

Note:

1. *Gross Product Sales means revenue from sale of products as per the Restated Consolidated Financial Information gross of sales incentives, rebates, and discounts.*
2. *For further details of the products under each product category, please refer to the table above.*
3. *'Others' category would include sale of by-products and other materials.*

We trace our lineage back to 1973, with the formation of a partnership firm, 'R.R. Industries' by our founders, late Rasiklal Amritlal Raveshia and late Mansukhlal Jamnadas Rajani, which over the years undertook the business of manufacturing and sale of pencils and crayons. Subsequently, in 2005, another partnership firm 'S. Tech Industries' was founded by certain members of our Promoter Group, to primarily undertake the business of manufacturing and sale of polymer based 'scholastic stationery'. In order to streamline our operations and achieve integration of businesses, our Company (then known as '*Writefine Products Private Limited*') acquired the business of these partnership firms.

Further, in 2012, our Company entered into a strategic partnership with FILA, a listed Italian multinational company, engaged in the supply of various 'art materials' and 'stationery products', with a global presence. As of December 31, 2022, FILA had a consolidated total revenue of USD ~ 0.84 billion (*Source: Technopak Report)*. Our partnership with FILA has enabled us to gain access to international markets for distribution of our products, augmentation of our R&D and technological capabilities. We believe our symbiotic association with FILA, based on mutual synergies, has resulted in expansion of our international footprint in key American and European markets and has helped in the global distribution of 'DOMS' brand. Further, we have an exclusive tie-up with

FILA and certain entities of the FILA Group through the Brand Authorisation Letters, for distribution and marketing for all categories of their respective products, under their name and trademark, in India, Nepal, Bhutan, Sri Lanka, Bangladesh, Myanmar, and Maldives. Please see, "*History and Certain Corporate Matters – Key terms of other subsisting material agreements other than in the ordinary course of business – Brand Authorisation Letters*" on page 242. In the Fiscals 2021, 2022 and 2023 and the six months period ended September 30, 2023, the total sales of FILA branded products by our Company aggregated to, ₹38.46 million, ₹60.92 million, ₹49.42 million, and ₹23.92 million respectively, which represented 0.95%, 0.89%, 0.41%, and 0.31% of our Company's total revenue from operations for the respective period and Fiscals.

Our products are marketed under our flagship brand 'DOMS' along with other brand/sub-brands including 'C3', 'Amariz', and 'Fixyfix'. While 'wooden pencils' is our largest product in terms of revenue, contributing 31.66% and 32.49% to our Gross Product Sales amounting to ₹3,899.88 million for Fiscal 2023 and ₹2,524.07 million for the six months period ended September 30, 2023 respectively, our product offerings have evolved significantly over the past several years. This has also allowed us to achieve the least concentration to overall revenue from the largest product segment among peers as of Fiscal 2023 (Source: Technopak Report). Our in-house product design team focusses on developing products, keeping in mind latest trends, customer lifestyles, aspirations, and preferences, who along with our dedicated R&D team develop, test, and evaluate products prior to launch. We continue to expand our product range to keep pace with the ever-evolving customer requirements and preferences and have recently launched our writing instruments under 'DOMS' brand in 2023, fine-art products under 'Amariz' and adhesive products under 'Fixy Fix'.

We undertake our manufacturing operations from facilities located in Umbergaon, Gujarat and Bari Brahma, in Jammu and Kashmir. Our Umbergaon Manufacturing Facilities are spread over approximately 34 acres of land covering approximately 1.18 million square feet, which are equipped with modern and automated production processes. Further, our Jammu Manufacturing Facility is spread across approximately 2 acres of land covering approximately 0.07 million square feet, focussed on producing wooden slats from locally sourced wood. We are vertically integrated with operations such as procurement of raw materials, moulding, assembling, integration of sub-assemblies into finished products being done at our manufacturing facilities in Umbergaon, Gujarat, which has enabled us to gain a competitive advantage by improving productivity and reducing costs. For further details in relation to our Manufacturing Facilities, see *"- Description of our Business and Operations – Manufacturing Facilities"* on page 201. In order to support our growth strategy to expand our manufacturing capabilities, recently we have also acquired 44 acres of land which is adjacent to our existing Umbergaon Manufacturing Facilities.

As of September 30, 2023, we have a widespread multi-channel distribution network with a strong pan-India presence and a global footprint catering to over 45 countries, covering the Americas, Africa, Asia Pacific, Europe, and Middle East. In the domestic market, we sell our products through (i) general trade; (ii) modern trade and e-commerce; and (iii) original equipment manufacturer (OEM) & institutions. Our domestic distribution network for general trade comprises of over 120 super-stockists, and over 4,000 distributors along with a dedicated sales team of over 500 personnel covering more than 120,000 retail touch points over 3,500 cities and towns. We also cater to our consumers through modern trade and e-commerce. Our products are sold through a variety of modern trade platforms such as supermarkets, hypermarkets, minimarkets, cash and carry stores. Further, our products are also available on multiple e-commerce platforms.

We have shown consistent financial performance over the last three Fiscals, with our Gross Product Sales and revenue from operations having grown at a CAGR of 72.69% and 73.45% respectively from Fiscal 2021 to Fiscal 2023, our EBITDA Margin (%) having increased from 7.45% to 15.40% over Fiscal 2021 to Fiscal 2023, and ROCE (%) having expanded from 0.36% to 33.31% over the same period. The table below sets forth certain financial information for the periods indicated as well as for the six months period ended September 30, 2023:

(in ₹ million, unless otherwise specified)

Metric	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**For the six months period ended September 30, 2023**
Revenue from operations	4,028.17	6,836.01	12,118.90	7,617.98
Growth in revenue from operations (%)	NA	69.71	77.28	NA
Gross Product Sales	4,130.45	6,930.95	12,317.34	7,768.39
Gross profit	1,574.72	2,515.29	4,485.23	3,028.81
Gross margin (%)	39.09	36.79	37.01	39.76
EBITDA	300.25	697.13	1,866.60	1,274.45

Metric	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the six months period ended September 30, 2023
EBITDA Margin (%)	7.45	10.20	15.40	16.73
Profit after tax (PAT)	(60.26)	171.40	1,028.71	739.06
PAT Margin (%)	(1.50)	2.51	8.49	9.70
RoE (%)	NA	6.86	33.54	19.01^
RoCE (%)	0.36	10.04	33.31	18.04^
Gross Fixed Assets Turnover (times)	1.88	2.82	3.30	1.67^
Net debt (borrowings)	682.63	691.40	583.65	1,265.06

NA for the Company refers to not available, as the restated consolidated financial information for Fiscal 2020 and six months ended September 30, 2022 is not available.
^ Not annualised.

Notes:

1. *Revenue from operations is calculated as revenue from sale of products and other operating income as per the Restated Consolidated Financial Information.*
2. *Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year.*
3. *Gross Product Sales is calculated as revenue from sale of products as per the Restated Consolidated Financial Information, gross of sales incentives, rebates, and discounts.*
4. *Gross profit is calculated as revenue from operations less cost of material consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress as per the Restated Consolidated Financial Information.*
5. *Gross margin is calculated as a percentage of gross profit divided by revenue from operations.*
6. *EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information.*
7. *EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations as per the Restated Consolidated Financial Information.*
8. *PAT represents total profit for the year as per the Restated Consolidated Financial Information.*
9. *PAT margin is calculated as a percentage of PAT divided by revenue from operations as per the Restated Consolidated Financial Information.*
10. *ROE is calculated as a percentage of PAT divided by average total equity at beginning and end of the year as per the Restated Consolidated Financial Information.*
11. *ROCE is calculated as a percentage of Earnings before interest and Taxes / Total Equity plus Total Borrowings plus Deferred Tax Liabilities minus Deferred tax assets as per the Restated Consolidated Financial Information. EBIT is calculated as profit before tax and share of associates plus finance costs.*
12. *Gross fixed assets turnover is calculated as revenue from operations divided by gross property, plant and equipment as per the Restated Consolidated Financial Information.*
13. *Net debt (borrowings) is calculated as Total Debt as reduced by Cash & Cash Equivalents and Bank Balances other than Cash & Cash Equivalents.*

OUR STRENGTHS

Leadership position in the Indian 'stationery and art material' industry with the widest range of products, driving rapid business growth

We believe that we have a strong brand that our consumers trust, as evidenced by our leadership position in the ‘stationery and art material’ products industry in India. As per the Technopak report, We are the second largest player in India’s branded ‘stationery and art’ products market, with a market share of ~12%, by value, as of Fiscal 2023 *(Source: Technopak Report)*. Our core products such as ‘pencils’ and ‘mathematical instrument boxes’ enjoy high market shares; 29% and 30% market share by value in Fiscal 2023 respectively *(Source: Technopak Report)*.

We have a wide and differentiated product category, which includes over 3,800 SKUs as of September 30, 2023, and is spread across (i) scholastic stationery; (ii) scholastic art material; (iii) paper stationery; (iv) kits and combos; (v) office supplies; (vi) hobby and craft; and (vii) fine art products. As per the Technopak Report, we have the widest breadth of product categories amongst our peers in India and are amongst the few ‘stationery and art material’ products manufacturing and marketing companies globally with such product breadth. Since we operate in a fragmented and distribution-led market such as ‘stationery and art material’ industry (*Source: Technopak Report)*, it is critical to be able to provide a holistic product portfolio to our customers and drive our brand equity. We have a wide product portfolio across the demand spectrum and are not dependent on a single demand factor. We believe our comprehensive product offering positions us as the one stop shop for all ‘stationery and art material’ requirements for our customers.

We have leveraged our experience and success with our flagship brand ‘DOMS’ and introduced new brands and sub-brands to the market which complement our flagship brand. For example, to capture the affordable market segment, we launched our brand ‘C3’ in the year 2012, under which we sell polymer black lead pencils, polymer colour pencils, erasers, sharpeners, chalks, etc. For the for the Fiscal 2023 and the six months period ended September 30, 2023, ‘DOMS’ contributed 80.38% and 83.18%, respectively, of our Gross Product Sales amounting to ₹9,900.64 million and ₹6,461.93 million respectively, and ‘C3’ contributed 3.96% and 2.96% of our Gross Product Sales amounting to ₹487.77 million and ₹230.17 million, during the respective periods. Further, we launched ‘Amariz’ in the year 2022, which is exclusively focused on fine art products, and ‘Fixy Fix’ in the year 2023, which is exclusively focused on a range of glues and adhesives. While our product offerings having evolved significantly over the past several years, our largest product ‘pencils’ contributed only 31.66% and 35.92% our Gross Product Sales amounting to ₹3,899.98 million and ₹2,790.07 million in Fiscal 2023 and in the six months period ended September 30, 2023, respectively. We have the least concentration to overall revenue from the largest product segment among peers as of Fiscal 2023 *(Source: Technopak Report).*

In addition to being present across multiple product categories to cater to a diverse demography, we have also ensured our products are available at various price points, through our brands ‘DOMS’ and ‘C3’, each of which benefit from strong brand loyalty and unique market positioning. For example, we offer ‘pencils’ ranging from MRP ₹3.00 per pencil to ₹12.50 per pencil, and ‘mathematical instruments box’ MRP ranging from ₹90.00 per box to ₹200.00 per box.

₹3 per pencil

₹12.50 per pencil

₹90 per mathematical instruments box

₹200 per mathematical instruments box

In Fiscals 2021, 2022, and 2023, and the six months period ended September 30, 2023 we sold an aggregate of 1.48 billion units, 3.06 billion units, 3.93 billion units, and 2.2 billion units of products across our product categories, respectively and achieved Gross Product Sales of ₹4,130.45 million, ₹6,930.95 million, ₹12,317.34 million, and ₹7,768.39 million respectively.

Our presence across multiple stationery categories and price points has enabled us to be the fastest growing stationery and art material products company in India in terms of revenue over the period from Fiscal 2020 to Fiscal 2023 *(Source: Technopak Report).*

We believe that the breadth and depth of our product categories at various price points have enabled us to achieve an effective offline presence and has enhanced our relationship as a preferred brand for retailers. We believe our portfolio breadth and limited contribution from any one product category leaves us well placed for future growth, and that we are well positioned to continue to expand our product range to keep pace with the ever-evolving customer requirements and preferences and also to expand our addressable market size.

Strong brand recall driven by high quality, innovative and differentiated products

We believe that our strong and reputed brand increases consumer confidence and influences purchase decision in our favour. We sell a diverse portfolio of products which occupy leadership positions in multiple of their respective product market categories in India *(Source: Technopak Report)*. This indicates a high brand recall value for our products and helps leverage our pricing strategy. As per the Technopak Report, among ‘core’ peers as defined in the report, we were the only company to have achieved a higher revenue in Fiscal 2022 (post Covid) vs. Fiscal 2020 (pre Covid), indicative of the strength and resilience of the brand. As further recognition of our brand, we have been recipients of “The Economic Times Promising Brands 2021” recognition from Economic Times, and “India’s No. 1 Brand Award 2017” from the International Brand Consulting Corporation, USA.

Over the years, in order to add value to our consumers, we have consciously focussed on R&D and innovation, across both products and processes, while maintaining our quality standards and striving to incorporate technology in our operations. We have a dedicated team working at a state-of-the-art R&D facility in Umbergaon, Gujarat, which is equipped with modern and advanced machinery to develop, test, and evaluate our products. We also have an in-house designing team for developing concept-driven, impressionable designs and products catering to the evolving choices and needs of our target consumers, based on market research and trends. As of September 30, 2023, we employed 50 personnel as part of our R&D and designing team.

Our R&D efforts are focussed on product development, cost reduction, and integration of modern technologies to our processes, which help us in improving our operational efficiency. Further, new processes which are developed in our R&D units are initially implemented on a pilot basis at our Umbergaon Manufacturing Facilities to understand the efficacy and challenges before initiating commercial production. Over the years, we have introduced innovative and utility focused products such as, inclusion of a 'pencil extender' as an ancillary product to our colour pencil set, which enables the consumer to continue to use the pencils even after its size is reduced due to repeated sharpening. We also strive to innovate ancillary facets of our product such as the packing while being price sensitive. For instance, our innovative packaging of our hexagon shaped eraser, made our end product more appealing without any significant increase to the price of the product.

Neon eraser

Colour pencils

Additionally, quality has always been a key focus area for our management and we are committed to maintaining stringent quality standards at all steps of the manufacturing cycle of our products, including sourcing, processing, manufacturing, packaging, and distribution. We have a dedicated quality assurance and quality check team who ensures compliance with our quality management systems. As on September 30, 2023, we employed 85 personnel as part of our quality check and assurance team.

We have also entered into technical collaborations with FILA through which, we believe we have gained technical proficiency and assimilation of technology, in order to further develop and improve our products and processes. Our knowledge sharing with FILA allows us to augment our R&D and technology capabilities and enables us to remain updated with emerging global trends and technology. Our in-house set up and collaborative efforts have resulted in diminishing our dependency upon third party developers leading to improved efficiency and providing us with greater control on overall process and product quality.

We have attained a leading market position in India's 'stationery and arts' products market as of Fiscal 2023 and have strong customer loyalty and brand recall with prudent spends on advertising and promotion. Our marketing initiatives include social media and digital promotional campaigns. We are among the topmost followed stationery and art material brands in India with a large following of over 10 lakh followers on YouTube, and over 40,000 followers on Instagram (*Source: Technopak Report*). A significant part of our success has been and will continue to depend on our ability to maintain our strong brand image and at the same time continue to manufacture and distribute high-quality 'stationery and art material' products. Our advertisement and business promotion expenses represented 0.37%, 0.41%, 0.28%, and 0.33% of our revenue from operations in Fiscal 2021, 2022 and 2023, and for the six months period ended September 30, 2023, respectively and the yield on advertising expenses represented 267.47 times, 243.36 times, 355.18 times, and 301.76 times of our revenue in Fiscal 2021, 2022 and 2023, and for the six months period ended September 30, 2023, respectively. We believe our focus on developing quality products and offering them at affordable price points, specifically keeping in mind children and young adults, allows us to differentiate our offerings from our competitors and gives us a strategic advantage.

Robust manufacturing infrastructure, with a focus on backward integration to drive efficiencies

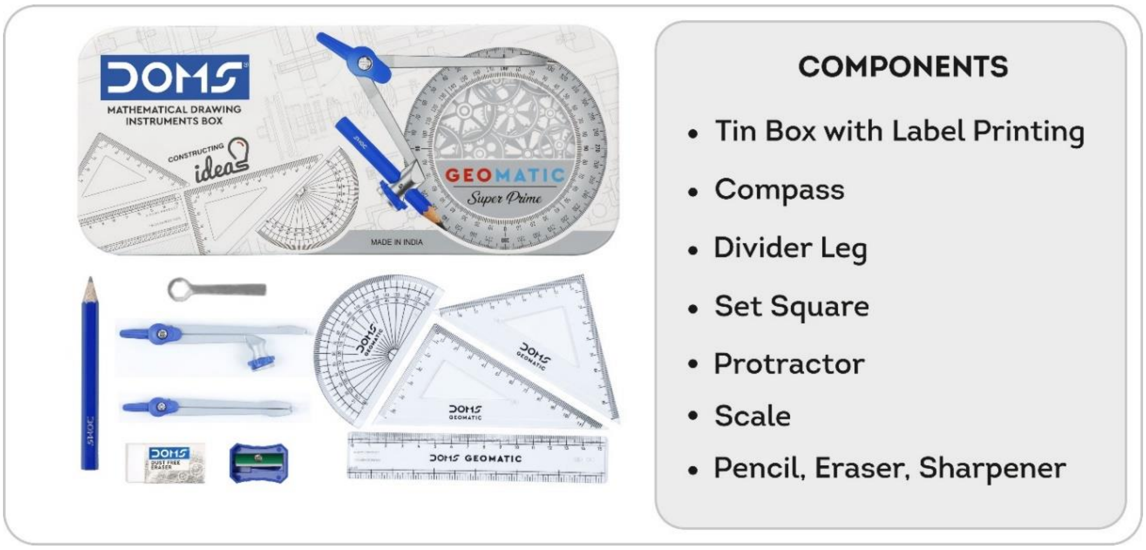
We operate 13 manufacturing facilities across Umbergaon, Gujarat, spread over approximately 34 acres of land covering approximately 1.18 million square feet and is one of the largest stationery manufacturing facilities in India (*Source: Technopak Report*). Our annual installed capacity as on March 31, 2023, for our key products was 4,734.93 million units. We undertake end-to-end operations, from conceptualisation to design, manufacturing, packaging and distribution of our product portfolio through our integrated operations at our Umbergaon Manufacturing Facilities.

Our fully integrated operations comprise procurement of raw materials, moulding, assembling, integration of sub-assemblies into finished products, quality control and testing of finished products. Our Umbergaon Manufacturing Facilities are built for large scale operations and our facilities and storage depots are also strategically located to achieve shorter time to market, greater cost competitiveness (through close proximity to raw material suppliers) and responsiveness of our inventory positions to changes in portfolio market as a result of proximity, thereby allowing us to cater to domestic and international markets more effectively. Our implementation of SAP as our ERP solution in the year 2015, has also helped us to standardise our processes and provide for planning, performance monitoring and provision of real time information to improve profitability.

We also operate one manufacturing facility which is spread across approximately 2 acres of land covering approximately 0.07 million square feet at Bari Brahma, in Jammu and Kashmir, where we produce wooden slats from locally sourced wood. The wooden slats produced by us are further used as an input material for production of wood-cased pencils.

We are focussed on achieving a greater degree of backward integration of our manufacturing processes, which we believe enables us to improve our efficiency, ensure quality control, reduce dependency on third parties and enhance profitability. We have also taken steps to ensure the risk of availability of raw material is diversified with multiple suppliers and imports. In particular, we have backward integrated our manufacturing process by producing several key components and materials used in manufacturing of finished goods. For instance, there is complete backward integration in the manufacturing process for pencils. The key components used in the manufacturing of pencils are wooden slats and sleepers, black and colour lead, lacquer, erasers, and ferrule, in case of an eraser tipped pencil. In the past, we procured some of these components from third party vendors. However, over a span of time, we started manufacturing wooden slats at our Jammu Manufacturing Facility from wooden logs sourced locally from Kashmir. These wooden slats are then transported to our manufacturing facilities at Umbergaon, Gujarat, where they are well treated and seasoned, and the softened wood used ensures smooth sharpening and longer shelf life. We manufacture the black and colour leads used in the production of pencils. The black lead is manufactured primarily using graphite and the colour lead is manufactured using clay, wax, and pigments. The lacquer used on the pencils is manufactured using pigments, fillers, and solvents. Further, the eraser tipped pencil, the small erasers and the aluminium ferrule which are fitted on the top of the pencils are manufactured at our facilities in Umbergaon, Gujarat and are also sourced from external parties. This has helped us to achieve economies of scale resulting in our ability to competitively price our products.

Another product for which we have sought to achieve backward integration of our processes is our ‘mathematical instruments box’. The key components in a mathematical instrument box are the tin box, rounder, divider, scale, set square and protractor. We manufacture rounders, dividers, scale, set squares and protractors at our Company’s manufacturing facilities in Umbergaon, Gujarat and the tin box is manufactured in Umbergaon, Gujarat by Micro Wood Private Limited, a Subsidiary of our Company along with the labelling of the product. The backward integrated manufacturing process for our mathematical instrument boxes provides us with significant efficiencies, leading to a market leadership position in this product category in a very short period of time (*Source: Technopak Report*).



Robust multi-channel distribution network with strong pan India presence

We have a widespread multi-channel distribution network, through which we sell our products (i) through general trade, where we sell products to our super-stockists, who sell to a distributor, and who in turn sells it to a wholesaler or retailer; (ii) through modern trade, where we sell our products to supermarkets, hypermarkets, mini markets, cash and carry stores and on leading e-commerce platforms; and (iii) to large corporates, institutions, and other companies who sell our products either in their own brand or under our flagship 'DOMS' brand. We believe that our systematic distribution network ensures effective market penetration and facilitates our growth strategy.

We have grown our revenue in each of our distribution channels across the last three Fiscals and the six months period ended September 30, 2023. Following are the details of our Gross Product Sales from each of our distribution channels across the last three Fiscals and the six months period ended September 30, 2023:

Distribution network	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales
Domestic								
General trade	2,906.85	70.38	4,921.82	71.01	9,156.91	74.34	5,871.74	75.58
Modern trade and e-commerce platform	120.15	2.91	214.84	3.10	262.87	2.13	223.07	2.87
Others*	101.76	2.46	146.98	2.12	321.82	2.61	231.68	2.98
Total (A)	3,128.76	75.75	5,283.64	76.23	9,741.60	79.09	6,326.49	81.44
Exports								
Export to the FILA Group	693.13	16.78	1,065.31	15.37	1,586.07	12.88	854.82	11.00
Third party exports	308.57	7.47	582.00	8.40	989.67	8.03	587.08	7.56
Total (B)	1,001.70	24.25	1,647.31	23.77	2,575.74	20.91	1,441.90	18.56
Total (C = A+B)	**4,130.45**	**100.00**	**6,930.95**	**100.00**	**12,317.34**	**100.00**	**7,768.39**	**100.00**

**Others includes OEMs, institutional sales, merchant exports and other ancillary sales.*

Over the years, we have developed a pan-India distribution network. As of September 30, 2023, our products were sold in over 3,500 cities and towns in India. We believe our deep distribution network and wide scale accessibility has enabled us to become a household brand across the country with a highly diversified sales mix. The regional breakdown of the sale of our products are as follows:

Regional breakdown	Fiscal						Six months period ended September 30, 2023	
	2021		2022		2023			
	Amount (₹ million)	% of Domestic Gross Product Sales	Amount (₹ million)	% of Domestic Gross Product Sales	Amount (₹ million)	% of Domestic Gross Product Sales	Amount (₹ million)	% of Domestic Gross Product Sales
North(1)	1,108.98	35.44	1,775.14	33.60	3,103.47	31.86	1,944.79	30.74
West(2)	894.51	28.59	1,554.14	29.41	2,974.23	30.53	2,104.78	33.27
East(3)	642.48	20.53	967.29	18.31	1,775.40	18.22	1,077.12	17.03
South(4)	482.78	15.43	987.07	18.68	1,888.50	19.39	1,199.79	18.96
Total	**3,128.76**	**100.00**	**5,283.65**	**100.00**	**9,741.60**	**100.00**	6,326.48	**100.00**

(1) North includes New Delhi, Haryana, Chandigarh, Punjab, Jammu and Kashmir, Uttar Pradesh, Uttarakhand, and Himachal Pradesh.
(2) West includes Maharashtra, Madhya Pradesh, Chhattisgarh, Gujarat, Dadra and Nagar Haveli and Daman and Diu, Goa, and Rajasthan.
(3) East includes West Bengal, Bihar, Jharkhand, Orissa, Assam, Tripura, Manipur, and Nagaland.
(4) South includes Tamil Nadu, Kerala, Karnataka, Telangana, Puducherry, and Andhra Pradesh.

- *Extensive distribution network in India*

  Our key distribution network in India for general trade is through super-stockists, and distributors, who are supported by over 500 members dedicated sales team. As on September 30, 2023, our Company had seven warehouses, three depots, over 120 super stockists, and over 4,000 distributors, who work with our super-stockists, located across 28 states and eight union territories.

  We have developed longstanding relationships with our super-stockists and distributors, who play a key role in ensuring that our products reach the end retailer in an efficient manner. We consistently engage with our super-stockists and direct distributors as well as end retailers to collect product feedback and insights on market trends to drive our product development initiatives. We have implemented integrated inventory and distribution management systems (DMS) and sales force automation (SFA) solutions to further improve the efficiency in our supply chain through which we monitor the stock levels available with our super stockists. We believe that the market knowledge, financial resources, and time required to develop such a distribution network present a significant entry barrier for competition.

- *Significant product export sales*

  The products manufactured by us are sold in over 45 countries globally. Our channel network outside India comprises of two segments: (i) export to the FILA Group; and (ii) third party exports. For further details, see "- *Exports*" on page 225.

  In Fiscals 2021, 2022 and 2023, and the six months period ended September 30, 2023 we exported our products directly through our distribution partnerships with importers and our revenue from exports amounted to ₹1,001.70 million, ₹1,647.31 million, ₹2,575.74 million, and ₹1,441.90 million respectively.

Strategic partnership with F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A. enabling access to global markets and product know-how

FILA, our Corporate Promoter, is an Italy based leading global enterprise devoted to the research, design, manufacture and sale of tools for creative expression, catering to millions of homes, schools, offices and ateliers (*Source: Technopak Report)*. As of December 31, 2022, FILA had a consolidated total revenue of USD ~ 0.84 billion (*Source: Technopak Report)*. FILA owns 25 renowned brands such as Giotto, Lyra, Dixon, Canson, Daler Rowney, Das and Tratto through which they sell a diversified portfolio of over 20 categories of products, including coloring, design, modelling, writing, and painting objects, such as pencils, crayons, modelling clay, chalk, oil colors, acrylics, watercolors, paints and paper for the fine arts, school and leisure in over 150 countries across 5 continents such as Italy, United States of America, France, Germany, Greece, Poland, Canada, Mexico, Russia, Spain, Sweden, Turkey, South Africa, etc (*Source: Technopak Report*).

In the year 2012, FILA entered into a strategic partnership with our Company, acquiring 18.50% of the paid-up capital of our Company, with a subsequent increase to 51.00% in the year 2015. We have a synergetic relationship with FILA, wherein our day-to-day operations are completely managed by our Individual Promoters, along with our Board of Directors, and we receive strategic inputs from FILA, from time to time.

Our collaboration with FILA has helped us expand our international footprint in Asia Pacific, Europe, and Middle Eastern markets with the distribution of our products. We have exclusive rights for the marketing, sales, and distribution of some of the products under the name and trademark of certain entities of FILA Group in India, Nepal, Bhutan, Sri Lanka, Bangladesh, Myanmar, and Maldives. Further, we manufacture certain specific products at our Umbergaon Manufacturing Facilities, for the FILA Group and also undertake OEM manufacturing for the FILA Group. Further, we have helped FILA by improving their ability to source high quality products at competitive prices from India for global sales and also consolidate certain procurement activities. For instance, FILA earlier bought water colour cakes from different countries. However, in recent years, FILA purchases water colour cakes from our Company. Our export sales to FILA Group amounted to ₹693.13 million, ₹1,065.31 million, ₹1,586.07 million, and ₹854.82 million in Fiscals 2021, 2022 and 2023, and for the six months period ended September 30, 2023, respectively.

Our knowledge sharing with FILA allows us to augment our R&D capabilities and enables us to remain updated with emerging global trends and technology. FILA is a leading global enterprise devoted to the research, design, manufacture and sale of tools for creative expression, catering to millions of homes, schools, offices and ateliers having a presence in the market for over 100 years (*Source: Technopak Report*), being part of the FILA Group provides us access to their experience and technical know-how. For instance, 'chalk' has an advance manufacturing process which uses innovative technology. FILA has a manufacturing facility in France to manufacture chalks. Though the demand for chalk in India is not high, however, it is an essential product to have in our product portfolio. Hence, we leverage the chalk manufacturing capabilities of FILA and purchase it directly from them. Further, we have leveraged the R&D done by FILA for the manufacture of markers and related product development. Our symbiotic relationship with FILA is further illustrated by us capitalising on FILA's years of experience in manufacturing and selling art material products and in turn FILA benefitting from our experience in manufacturing stationery products, such as pencils. Additionally, the FILA Group is also actively facilitating our entry with sales of 'DOMS' branded products in regions where FILA has an existing local commercial presence.

Experienced Promoters and management team

Our Individual Promoters and Directors, Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Chandni Vijay Somaiya and Ketan Mansukhlal Rajani, have over 23 years, 38 years, 19 years and 20 years of experience, respectively in the 'stationery and art materials' products industry and have been instrumental in the growth of 'DOMS' as a brand. While Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, and Chandni Vijay Somaiya oversee operations at our manufacturing facilities at Umbergaon, Gujarat, Ketan Mansukhlal Rajani is responsible for our operations at our manufacturing facility at Jammu. The Individual Promoters are actively involved in the day-to-day operations of our Company, ensuring tight cost control and improvements in margins. Our Corporate Promoter, FILA has its representatives on our Board, who bring their experience of the stationery industry and international exposure.

Our Board of Directors also includes executive and non-executive Directors, including independent directors, with extensive experience, who bring in significant business expertise including in the areas of manufacturing, sales and marketing. For further details, see "*Our Management – Board of Directors*" on page 249. We have a well-qualified senior management team with extensive experience in the stationery and art products industry, which positions us well to capitalize on future growth opportunities. The heads of functional groups enhance the quality of our management with their specific and extensive industry experience. For further details, see "*Our Management – Key Managerial Personnel and Senior Managerial Personnel*" on page 268.

We are supported by our committed employee base and believe we have a mutually beneficial relationship with our employees. We believe this helps in containing our operating expenses, while consistently maintaining our drive for growth. We have stringent recruitment policies and hire qualified individuals. As of September 30, 2023, we had 8,890 full-time employees.

OUR GROWTH STRATEGIES

We strive to continue to be optimally placed in India's 'stationery and art material' market by implementing the following strategies.

Expansion of manufacturing capacities

The stationery and art materials industry is fragmented and distribution-led, and entry barriers include economies of scale, high capital requirements, extensive distribution network and retail footprints (*Source: Technopak Report*). We currently manufacture our products from our plants across Umbergaon, Gujarat with an installed capacity of 4,734.93 million units as on March 31, 2023, for our key products, with an efficiency of 4,223.98 million units during such period. In order to meet the expected rise in consumer demand across our product categories, we have undertaken further capital expenditure in Fiscal 2023 of ₹1,259.40 million, primarily towards enhancing our manufacturing capabilities across our range of product categories. For details of capacity utilisation of our key products for Fiscals, 2021, 2022 and 2023, see "*Production capacity and capacity utilisation*" on page 224.

We also intend to streamline our operations and enhance our manufacturing capacity for writing instrument products by adding approximately 0.10 million square feet to our Umbergaon Manufacturing Facilities. We continue to focus on further integrating our operations and benefit from economies of scale and improve operating margins.

Further, to enhance our manufacturing operations in order to meet the current and anticipated demand of our products, we have acquired a parcel of land measuring approximately 44 acres located adjacent to Umbergaon Manufacturing Facilities. We intend to use a portion of the Net Proceeds amounting to ₹256.00 million, ₹2,061.79 million and ₹1,482.210 million in Fiscals 2024, 2025 and 2026, respectively, for the construction of the manufacturing facilities on this land. For further details, see "*Objects of the Offer*" on page 101.

We are focussed on adopting the best practices and standards across our Manufacturing Facilities, drawing on our management's expertise and experience. The management team closely oversees our operational performance against established and target metrics and take appropriate action as required. By planning for a high utilization rate and with the commissioning of additional capacities we strive to continue reducing our cost of production and achieving economies of scale.

Supplement our product portfolio in order to expand our addressable market size and capture higher consumer wallet share

The 'stationery and art material' market has untapped potential in multiple categories with a limited presence of branded players (*Source: Technopak Report)*. We believe that powerful consumer trends will continue to expand the approximately ₹38,500 crore. Indian stationery and art material industry by value as of Fiscal Year 2023 (*Source: Technopak Report*) and that our differentiated product offering and appeal to our consumers will drive increasing market share. It is our endeavour to continue expanding our presence in the product lines which are associated through the growing year of kids, children and young adults.

We continue to seek opportunities to introduce new products. For instance, we launched (i) 'DOMS' groove pencils that are manufactured with a patented technology that is exclusive for our Company in India. The grooves on these triangular pencils promote superior grip while writing with these pencils; and (ii) two-dooz pencil sharpener, which is designed for effective use by both left-handed and right-handed persons.

Further, we continuously seek to increase the depth within our products which would help to improve average revenue realisation. For instance, we offer 'pencil packs' ranging from a maximum retail price ₹30.00 per pencil pack of 10 pieces to ₹125.00 per pack of 10 pieces and packs of 'crayon' ranging from maximum retail price ₹10.00 per pack to ₹125.00 per pack.

The following table provides the average selling price (ASP) for our key products across the last three Fiscals and the six months period ended September 30, 2023.

Key products	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
	ASPs	ASPs	ASPs	ASPs
Wooden pencils (per unit)	2.60	2.64	2.88	3.10
Crayons & pastels (per unit)	0.87	0.84	0.99	1.01
Mathematical instruments box (per unit)	46.21	44.94	47.96	45.53
Sketch pens (per pack)	10.22	11.02	13.09	15.00
Erasers (per unit)	1.35	1.45	1.48	1.51
Exercise books (per unit)	20.19	19.70	25.91	36.41

As part of our business strategy, to further diversify revenue streams, we identify potential products which are complementary to our current product categories. For instance, we were earlier manufacturing and distributing direct fluid pens and have recently diversified into manufacturing ball point pens with refill. We are also in the process of expanding our fine art product range.

Further, in the year 2023, we acquired a minority stake in ClapJoy Innovations Private Limited, which is in the business of manufacturing and sale of ‘toys’. This acquisition is in line with our objective to increase the breadth of our product offering by entering categories that are associated through the growing years of kids, children and young adults. In the year 2023, we also acquired a majority stake in Micro Wood Private Limited, which is in the business of manufacturing tin and paper based packing material. This acquisition is in line with our Company’s strategy in achieving greater degree of backward integration for manufacturing.

We seek to leverage our market position, understanding of preferences and loyal customer base to enable us to develop quality products while ensuring that our brand remains distinctive and well-differentiated.

Strengthen our distribution network and expand our modern trade channels

As of September 30, 2023, we have a widespread multi-channel distribution network with a strong pan-India presence. We seek to continue to develop our distribution network and increase our geographical reach through reinforcing and expanding our distribution channels. We seek to achieve this by increasing the network of our distribution channel partners as well as increasing our presence across different retail store formats in addition to the traditional stationery stores. We continue to remain focussed on entering into arrangements with more super-stockists in order to create new distribution channels to reach under-served areas and smaller towns. While we believe that our pan-India presence affords us a significant reach to all parts of the country, we believe that the markets in eastern and southern India, have a scope of further market expansion and we intend to capitalise on the same by shoring up our network presence in these markets.

We are specifically focussed on development of modern trade and e-commerce platforms, in order to be able to provide the consumer with an omnichannel experience. We believe that there exists a significant opportunity in the modern trade segment for us to increase the shelf space for our products by getting more of our SKUs listed with these channels as well as introducing new SKUs specifically to cater to such store formats. We also intend to focus and expand our modern trade distribution channel, by supplying products to large retailers and venturing into new geographies along with establishing association with regional players. In terms of e-commerce as a distribution channel, we are in the process to launch an online sales portal to exclusively sell DOMS branded products. We also plan to expand our sales on other e-commerce platforms through the ‘dropshipping’ model, which we expect would aid in supplementing our online sales.

We have always emphasised on the importance of our sales team, comprising of over 500 personnel covering more than 120,000 retail touch points over 3,500 cities and towns, as being instrumental in our growth story. We intend to further boost our sales team with recruitment to target newer geographies and supplement our sales in the existing markets.

In terms of our international presence, over the years we have developed a robust export sales network through our association with FILA as well as through distributors in over 45 countries, covering the Americas, Africa, Asia Pacific, Europe, and Middle East, that sell products under the DOMS and C3 brands. We intend to expand our distribution capabilities in certain South East Asian countries as well as in the African continent. We have recently entered the European market with sales of our DOMS branded products in Italy and we believe with our product offering and quality, we will be able to generate significant sales from European countries as well.

Undertake inorganic growth through acquisitions or strategic partnerships

We have a demonstrated history of acquiring and successfully integrating companies, with significant acquisitions in the last year. For details in relation to our acquisitions, see "*History and Certain Corporate Matters- Details of material acquisitions or divestments of business/undertaking in the last 10 years*" on page 239. Through these acquisitions, we seek to consolidate our position further in the Indian 'stationery and art material' products segment, increasing our scale and market share. In Fiscal 2024, we undertook the acquisition of Micro Wood Private Limited as a strategic investment, which will help us in achieving greater degree of backward integration for manufacturing of certain products. Further, we recently also acquired a minority stake in ClapJoy Innovations Private Limited, which is in the business of manufacturing and sale of 'toys', to enter into a complementary line of business to capitalise on our existing distribution and sales network.

We intend to continue to actively pursue strategic investments and acquisitions, which are complementary to our business. Such efforts will be focused on: (i) increasing our market share further; (ii) deepening our presence in certain geographies; and (iii) improving profitability. We continue to seek and explore opportunities that complement and grow our product offerings as well as ancillary products in the categories are associated through the growing years of kids, children and young adults. We may also look to increase our portfolio of brands through acquisitions to provide our customers with differentiated offerings. We intend to continue to evaluate these opportunities from time to time.

Strengthening the 'DOMS' brands and enhance synergies

As of Fiscal 2023, branded play controls nearly 36% (~INR 13,850 crores) of the stationery market in India. Branded play is estimated to capture ~43% (~INR 30,500 crores) market share by Fiscal 2028 (*Source: Technopak Report*). The 'stationery and art material' market in India has untapped potential in multiple categories with a limited presence of branded players (*Source: Technopak Report*). The market is gradually shifting towards branded play, because of shift in consumer preference towards premium and innovative products, GST implementation, branded players undertaking various brand building initiatives and economies of pan-India distribution network by branded players (*Source: Technopak Report*).

One of our key strengths is the strong brand equity generated by the DOMS brand. Our leadership position in the 'stationery and arts' products industry, recognised primarily under the DOMS brand, provides us with an opportunity to grow our business. We have consistently allocated significant resources to establish and strengthen our brand and to increase our brand recall as one of India's leading 'stationery and arts' brands. We have consciously developed our product categories under our flagship brand 'DOMS', allowing consumers to associate with our brand and believe that DOMS as a brand commands a recall amongst the consumers due to its image and goodwill established over the years.

We intend to leverage our brand, quality, and pricing strategy to increase our market penetration to target children and young adults. To this end we have launched a number of SKUs for our key products under our 'DOMS' brand during the last three Fiscals. For further details, see "- *Supplement our product portfolio in order to expand our addressable market size and capture higher consumer wallet share.*" on page 212. We believe we have a high potential to cross-sell and up-sell products and provide varied complimentary products under the 'stationery and arts' products segment which resonates with our consumers.

Strengthen our technology and data capabilities to drive business efficiencies

We intend to continue to invest in our technology and data capabilities to drive business efficiencies, stay connected with our customers and strengthen cross-brand, and cross-functional synergies.

We rely on Sales Force Automation (SFA), a software solution that we use to track and oversee the performance of our large sales force. Through SFA, we are able to gain access to our sales activities and enable seamless monitoring and analysis of our team's performance. Our sales team which covers more than 120,000 retail touch points as of September 30, 2023, collect orders from the retailers in our SFA mobile application. The data captured allows us to understand the demand for our products, which enables us to make production planning and sales plan for subsequent months. Further, it also assists the management in planning for capacity addition for the existing lines of products.

Further, we have an extensive network of super-stockists, distributors, wholesalers, and retailers to manage our operations in India. We rely on Distributor Management Systems (DMS) for seamless communication between our super-stockists and us, for efficient order management, expedited stock replenishment and delivery tracking which would improve our overall sales performance. This has helped us to effectively supervise and manage our super-stockists and also ensure that they follow the pricing policy set by our Company. We intend to fully integrate with DMS, wherein we are able to monitor the sales performance of our distributor network as well.

Our investments towards improving our IT infrastructure are aimed towards increasing our productivity and the efficiency of our resources. We intend to manage our operating costs through leveraging technology as we expect it will not only improve our sales but also ensure customer satisfaction. We also propose to further strengthen our data analytics which will enable a better understanding of the preferences of our customers, improve sales and help in scaling our operations.

Description of our Business

Our Major Brands

Our Flagship Brand

DOMS

'DOMS' is our flagship brand. The products under the 'DOMS' brand are known for its premium quality and product designing (*Source: Technopak Report*). We sell all products in the scholastic stationery, scholastic art material, paper stationery, hobby and craft, office supplies and kits and combos under this brand. Our 'DOMS' brand tag line, '*Every Ambition Needs Preparation'*, is intended to create optimistic and progressive thoughts and encourage students, hobby enthusiasts and professionals to discover their talents and enhance their skills. Our label, 'DOMS' is registered with the Trade Marks Registry, Mumbai, Maharashtra since 2005.

C3

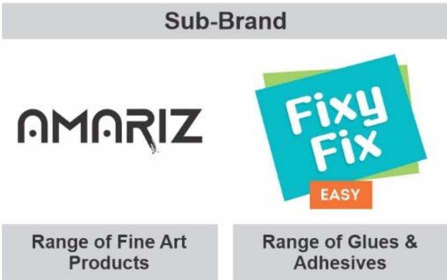
Affordable Market Segment Brand

Joy of Creation

Range of Products for Rural India

'C3' brand was launched in the year 2012, to capture the affordable market segment. The key product in this category are polymer pencils, which when compared to wooden pencils are slightly cheaper. We introduced other products along with 'C3' polymer pencils, to develop the 'C3' brand. These products include colour pencils, sharpeners, erasers, kits and combos, chalks, and mathematical instruments box. Our label 'C3', is registered with the Trade Marks Registry, Mumbai, Maharashtra since March 4, 2019.

Key sub-brands under our flagship brand 'DOMS'



Amariz

'Amariz' was launched in the year 2022, as a sub-brand under our flagship brand 'DOMS'. We have introduced and continue to introduce fine art products under 'Amariz' with a specific focus towards artists professionals as an end user. We have recently launched art brushes and kneadable erasers under this sub-brand.

FixyFix

'FixyFix' was launched in the year 2023, as a sub-brand under the flagship brand 'DOMS'. We offer an exclusive range of glues and adhesives under this sub-brand. We have recently launched glue sticks, glitter glues, fragrance glues and white glues under 'FixyFix'.

Key Products

The following table sets forth our sales from the key products across our product categories for the period indicated:

Key products	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Gross Product Sale	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales
Wooden pencils	1,527.95	36.99	2,311.17	33.35	3,899.88	31.66	2,524.07	32.49
Crayons	226.45	5.48	351.60	5.07	724.42	5.88	552.76	7.12
Mathematical instruments box	134.44	3.25	344.97	4.98	688.36	5.59	521.00	6.71
Sketch pens	186.08	4.51	368.36	5.31	688.10	5.59	470.26	6.05
Erasers	195.95	4.74	424.55	6.13	668.63	5.43	363.36	4.68
Exercise books	217.04	5.25	292.53	4.22	663.76	5.39	394.37	5.08
Total	**2,487.91**	**60.23**	**4,093.18**	**59.06**	**7,333.16**	**59.54**	**4,825.82**	**62.12**

Wooden pencils

Wooden pencils is one of the key products in our product categories.

Our wooden pencil portfolio consists of (i) wooden black-lead pencils; and (ii) wooden colour-lead pencils.

We manufacture and distribute a wide range of black lead pencils which are available in a variety of shapes, colours, and pack sizes. Our wooden black-lead pencil portfolio includes drawing pencils which have pencils of lead degrees like 2B, 3B, 4B, etc. Over the years, we have improvised on our black lead pencil portfolio. Prior to the launch of 'DOMS' zoom triangle pencils in 2010, most of the pencils sold in India were hexagonal in shape (*Source: Technopak Report*). The launch of the triangular shaped pencils in three mixed pastel colour shades and the concept of packing three different coloured pencils in a pack was a revolution for the stationery industry.

Another innovation in pencils were the groove pencils. 'DOMS' groove pencils are manufactured with a patented technology which is exclusive for our Company in India. The grooves carved on the pencils make them ergonomically easy to hold, provide strong grip and support, thus resulting in superior comfort, better handwriting, and colouring.

The wooden colour lead pencil portfolio includes the regular use half-size and full-size colour pencils available in 24 shades. In addition to the regular use colour pencils, we also manufacture and market bi-colour pencils (different colour lead on the end of the pencil), the water-soluble colour pencils and mega colours pencils (higher lead sizes). We have continuously improvised on our colour lead pencil portfolio. For instance, inclusion of the extender in half size colour pencils to increase the length of the pencils. This extender enables consumers to continue to use the pencils even after its size is reduced due to repeated sharpening.

Some of the popular products in our wooden pencil portfolio are: (i) 'DOMS' neon pencils with eraser tip; (ii) 'DOMS' zoom triangle pencils; and (iii) 'DOMS' X1 pencil.

In Fiscal 2021, 2022 and 2023, and the six months period ended September 30, 2023, we sold 588.66 million units, 874.55 million units, 1,352.21 million units, and 821.96 million units of wooden pencils, respectively, which accounted for 36.99%, 33.35%, 31.66%, and 32.49% of our Gross Product Sales amounting to ₹1,527.95 million, ₹2,311.17 million, ₹3,899.88 million, and ₹2,524.07 million, respectively in such periods.

Crayons

Our portfolio of crayons consists of: (i) wax crayons; (ii) oil pastels; and (iii) plastic crayons. It includes SKUs for toddlers, students, and artists which are available in different shapes, sizes, and shades. These are available in over 50 shades. We have extended the patented groove technology and design to our 'plastic crayons' portfolio and introduced the 'DOMS' groove plastic crayons.

Some of the innovative and popular products in crayons are: (i) 'DOMS' bi-colour wax crayons; (ii) 'DOMS' grippie plastic crayons for toddlers; and (iii) 'DOMS' hexagonal oil pastels.

In Fiscal 2021, 2022 and 2023, and the six months period ended September 30, 2023 we sold 261.65 million units, 421.02 million units, 731.06 million units, and 544.78 million units of crayons, respectively, which accounted for

5.48%, 5.07%, 5.88%, and 7.12% of our Gross Product Sales amounting to ₹226.45 million, ₹351.60 million, ₹724.42 million, and ₹552.76 million respectively in such periods.

Mathematical instrument box

We have one of the widest ranges of mathematical instrument boxes. In India, we sell seven SKUs of this product under our flagship brand, 'DOMS' and one SKU under our 'C3' brand.

The key components in a mathematical instrument box are the tin box, rounder, divider, scale, set square and protractor. We also provide one pencil, eraser, and sharpener in most of the mathematical instrument boxes that we sell.

In Fiscal 2021, 2022 and 2023, and the six months period ended September 30, 2023 we sold 2.91 million units, 7.68 million units, 14.35 million units, and 11.44 million units of mathematical instrument boxes, respectively, which accounted for 3.25%, 4.98%, 5.59%, and 6.71% of our Gross Product Sales amounting to ₹134.44 million, ₹344.97 million, ₹688.36 million, and ₹521.00 million in such periods.

Sketch pens

We manufacture and market a wide variety of sketch pens for multipurpose use ranging from drawing, sketching, marking, and writing. Our sketch pens are developed using the technical know-how from the R&D done in Italy. The key feature of this product is the unique push resistant tip.

In Fiscal 2021, 2022 and 2023, and the six months period ended September 30, 2023, we sold 18.20 million packs, 33.42 million packs, 52.57 million packs, and 31.35 million packs of sketch pens, respectively, which accounted for 4.51%, 5.31%, 5.59%, and 6.05% of our Gross Product Sales, amounting to ₹186.08 million, ₹368.36 million, ₹688.10 million, and ₹470.26 million in such periods.

Erasers

Our portfolio of erasers, available in different sizes, shapes and designs, include: (i) white coloured eraser; (ii) fragranced eraser; and (iii) coloured erasers. We were one of the foremost companies in India to indigenously manufacture and market erasers using thermoplastic rubber (TPR) material. This material is comparatively more environment friendly and non-toxic, compared to the erasers made using vinyl and rubber. Some of the attractive products in this category are the retractable pen shaped eraser and Erasner (ERASer + sharpeNER). Erasner is a combination of an eraser as well as a sharpener in a single product.

In Fiscal 2021, 2022 and 2023, and the six months period ended September 30, 2023, we sold 145.55 million units, 293.43 million units, 450.49 million units, and 240.97 million units of eraser, respectively, which accounted for 4.74%, 6.13%, 5.43%, and 4.68% of our Gross Product Sales, amounting to ₹195.95 million, ₹424.55 million, ₹668.63 million, and ₹363.36 million in such periods, respectively.

Note: Sales of Erasners is not included in erasers as the HSN code used for this product is that of a sharpener due to higher GST rate.

Exercise books

Our Material Subsidiary, Pioneer Stationery Private Limited manufactures and markets a wide range of exercise books. The revenue from operations for our Material Subsidiary in the Fiscal 2023 and the six months period ended September 30, 2023 was ₹1,395.66 million and ₹846.91 million.

An exercise book is a book primarily used in schools and colleges for students to take notes.

These products are classified into four sub-types based on their sizes: (i) 21 x 29.7 cm (A4); (ii) 17 x 27 cm; (iii) 18 x 24 cm; and (iv) 15.5 x 19 cm. In each of these sub-types, different SKUs are available which include different page numbers and different ruling patterns. Our range of exercise books are well known for their superior quality as we use higher GSM paper. The design of the title page of the exercise books have been highly appreciated by our consumers and add to the aesthetic appeal of our product.

In Fiscal 2021, 2022 and 2023, and the six months period ended September 30, 2023, we sold 10.75 million units, 14.85 million units, 25.61 million units, and 10.83 units of exercise book, respectively, which accounted for 5.25%, 4.22%, 5.39%, and 5.08% of our Gross Product Sales, amounting to ₹217.04 million, ₹292.53 million, ₹663.76 million, and ₹394.37 million in such periods.

Raw material and packing material procurement

The first step in the manufacturing process across our product categories, is the procurement of raw materials and packing material. We procure a vast and diverse range of raw materials and packing materials to support the large range of product categories and multiple SKUs we offer. Our portfolio of raw materials and packing materials consist of over 2,400 material items. We procure raw materials domestically as well as import from countries such as Japan, Germany, South Korea and China. Further, we purchase packing material from our Subsidiary, Micro Wood Private Limited as well as from domestic vendors. We presently procure all these materials from our vendors selected based on our standard operating procedure (SOP) for evaluation of vendors which consists of material testing, audits and verification. The procurement is based on our requirements on an on-going basis, through purchase orders at an "as needed" basis.

Our presence of over 45 years in the 'stationery and art material' industry has enabled us to build and nurture a strong network of vendors for our raw material and packing material requirements. This coupled with our expertise to source good quality raw materials at optimal prices helps us to improve and standardise our product range. The materials procured from vendors, first go through a rigorous quality check process internally as well as externally through accredited quality testing labs. Our quality checking team has a pre-decided SOP to check and verify the quality of the materials. Post the completion of these checks, the raw materials and packing materials are either sent to the warehouse or to the shop floor of the manufacturing facilities depending on the requirements.

We require packing materials for packaging our products. Our primary packing material include: (i) paper board boxes; (ii) plastic boxes/ pouches; (iii) tin boxes; and (iv) corrugated boxes. The primary packs are placed in corrugated boxes before being shipped to consumers.

We use automated packaging machines as well as manual processes to pack our products into their different packs and sizes. Further, for secondary packaging for shipping and distribution purposes, we use corrugated carton boxes and bags to protect the primary packs in different stages of sales and distribution.

The primary packs as well as the corrugated boxes have our brand printed on them. In addition to these, other ancillary packing materials used by us are shrink films, tapes, etc.

Our raw material and packing material procurement, as a whole, represented 54.93%, 65.90%, 61.92%, and 55.57% of our Gross Product Sales in Fiscal 2021, 2022, and 2023, and the six months period ended September 30, 2023.

The raw materials used for the manufacturing and production of our key products are:

Wooden pencils

The key raw materials used to produce the wooden pencils are wooden sleepers and slats, graphite for black lead, clay, wax and pigments for colour lead, adhesives and pigments and solvents for lacquer. The wooden sleepers are procured primarily from Kashmir and are also imported from Belgium. Further, the wooden slats are purchased from Kashmir and Kerala in India and imported from China. The graphite is imported from China and procured from domestic suppliers in India. Clay, wax, pigments, adhesives, and solvents are procured from domestic vendors.

Crayons

Wax crayons and oil pastels are manufactured using various wax, oils, fillers, and pigments. The key raw materials for plastic crayons are polymers, wax, and pigments. Most of the wax is procured from domestic vendors in India, while some quantities for synthetic wax is imported from China. Fillers like calcium carbonate, clay, oils, and pigments are purchased domestically from local vendors.

Mathematical instrument box

The raw materials used for our mathematical instrument box are: (i) tin plate sheets, inks and coating materials used for the manufacturing of tin boxes all procured from domestic vendors; (ii) rounders and dividers are manufactured using cold rolled close annealed (CRCA) steel coil. These coils are procured from domestic vendors; and (iii) plastic components such as scales, set squares and protractors are manufactured using polystyrene which is procured primarily from domestic vendors. The marking on these components is done through injection moulding of plastic granules followed by screen printing for which we procure the marking ink from domestic vendors.

Sketch pens

The raw materials used for the Sketch pens are: (i) plastic components of the product, namely, barrel, back plug and cap which are manufactured using polypropylenes mixed with masterbatches. The polypropylenes and masterbatches are procured from domestic vendors; (ii) tips and sketch marker ink reservoir which are manufactured primarily using polyester yarn, procured from domestic vendors; and (iii) ink used is manufactured in-house through dyes and solvents. These dyes and solvents are procured from domestic vendors. We also import preparation of pigment from Japan, which is used to manufacture some of the inks we produce.

Erasers

The primary raw materials for the manufacturing of erasers are thermoplastic elastomers, fillers like calcium carbonate and oils such as rubber oil. In certain coloured erasers, pigments are also used during the manufacturing process to give colours to the erasers. The thermoplastic elastomers used in the manufacturing of erasers are procured from domestic vendors as well as imported. The other raw materials used in this process are procured from domestic vendors.

Exercise books

The primary raw material for manufacturing exercise books is paper and paper board. The paper board is used for printing the title page of the exercise books. The paper and paper board are procured from leading paper mills of India. In addition, we also use inks and wire for printing and stapling the books. The paper and paper board used in the manufacturing of exercise books are purchased from leading domestic vendors in India, so as are the inks and wires used.

Manufacturing process of our key products

Wooden pencils

At the first instance, round wood logs are cut to sleepers. Thereafter, the wooden sleepers are cut into blocks, which are a bit longer than the normal length of a pencil. These blocks are cut into pencil slats in frame saw machines. Since the wooden blocks are not of uniform size, the slats manufactured using these blocks are then sorted as per their size. The sorting helps to segregate the shorter length slats and defective pieces. The usable slats of different width (called ply) are then treated with wax and food grade dyes to soften the wood and to obtain a uniform colour. The soften wood improves the sharpening characteristics of the pencils and also eases the machining processes. After processing, the slats are passed through a sizing machine to ensure that they are sized in the desired length and width. These processed slats are then checked and packaged to be shipped from our Jammu Manufacturing Facility to Umbergaon, Gujarat. At times the unprocessed slats are shipped from our Jammu Manufacturing Facility to our manufacturing facilities in Umbergaon, Gujarat, where they undergo similar treatment. In addition to procuring slats from our Jammu Manufacturing Facility, we also procure unprocessed slats from slat manufacturers in Kashmir and Kerala and processed slats from China.

Once the wooden slats are processed and sized, they are sent to our raw pencil manufacturing unit. The pencil slats are first sent for grooving where the machine produces grooves on the slats so that leads can be placed in the slats. The leads, both black and colour are manufactured in-house at Umbergaon, Gujarat. Once the slats are grooved, they are first glued and then leads are placed in the grooves. Thereafter, a second grooved slat is glued on top of the slat to make a sandwich. The slats are then clamped and held together tightly. These slats are then passed through the dryer so that the glue dries quickly. Once the glue dries, the slats are then transferred to a shaping machine where the pencils are trimmed and shaped in triangle, round, hexagonal or any other symmetrical shape. These pencils then pass through the dye polishing machine to smoothen the surface and then are re-checked for defects. These pencils are called as ‘raw pencils’ and are identified by the combination of the type of wood (vatta, poplar, bass or cedar), colour of lead, degree or size of the lead (HB, 2B, etc) and the shape of the pencils.

Thereafter, the ‘raw pencils’ are then painted in lacquering machines, where each pencil receives multiple coats starting with primer coat. The number of coats of lacquer depends on the type of the pencil, desired quality, finish and design. The lacquered pencils are then transferred to an end-cutting machine where each end of the pencil is trimmed. Thereafter, the pencils pass through an automatic centre checking and quality check machine. The usable lacquered pencils are then chamfered at one end before proceeding to the end cut dipping machine, where again layers of lacquer coats are done at the end of the pencil to get the desired design and finishing effect. Some of our pencils which are designed with an eraser tip at the end skip the end dipping process and are transferred to a tipping machine where a ferrule (the aluminium ring that holds the eraser to the pencil) and eraser are crimped on each pencil. The last step is imprinting the brand name on the pencil through stamping the foil on the surface of the pencil. The pencils are then transferred for a final quality check before being packed in paper or tin boxes. The packs are then placed in corrugated boxes and shipped to customers.

The entire pencil manufacturing process is well integrated. From the slats till the primary packing material, is done in-house. The leads, black lead and colour lead are also manufactured in house, as well as the eraser tips and ferrules. The paper and tin boxes are manufactured and purchased from our Subsidiary, Micro Wood Private Limited.

Crayons

Crayons are manufactured using different types of wax, oils, pigments, and fillers. While we use different types of wax in the production of crayons, the primary ingredient is paraffin wax. We manufacture our own pigment concentrate to ensure that the right shade and consistency is achieved. The concentrate is manufactured using pigments, fillers and binders. The mixture is then passed through a triple roller mill to ensure the concentrate is smooth and without any irregular particle size. Paraffin wax in solid form is purchased from vendors. This wax, along with a few other types of waxes, oils and fillers are heated at high temperature in wax melting tanks. The fillers give the finished products structural integrity. The concentrate is then added to the mixture, and it is heated until it results in to a rich and smooth mixture. The warm mixture is then poured into mould cavities to be set into their final shape. The cold water inside the moulds cools and hardens the wax. The crayons are then removed from the moulds and a visual check is done to ensure the shape of the crayon. Any excess wax generated in this process is collected and put back into the mixing tank. Different sizes of crayon are manufactured with the same process but are moulded in different size of moulds. Each individual crayon stick is then wrapped to highlight the brand name and the colour. Thereafter, the crayon sticks are packed in paper or plastic boxes depending on the number of shades in a particular SKU. Such packs are then placed in corrugated boxes and shipped to customers.

The manufacturing process for wax crayons and oil pastels are similar. The only difference between both these products is that wax is the primary binder in wax crayons, while oil and wax are primary binders in oil pastels. Hence, the composition of raw material in the mixture changes for wax crayons and oil pastels. Due to higher oil content, oil pastels smear and smudge easily, while wax crayons don't.

On the other hand, plastic crayons, as the name suggests are made of polymers through an injection moulding process. Our Company first melts the polymer into liquid form post which wax, and pigments are added to the melted polymer. This mixture is then cooled to form blocks. These blocks are then passed through the granulator and the desired size of granules are made. These granules are then injected in an injection moulding machine. The injection moulding machine converts the granules to liquid polymers through high temperature and high pressure. The liquid polymer is then injected into the moulds where it is then cooled, and plastic crayons are ready. These plastic crayon sticks are then packed in primary packs depending on the number of shades in a particular SKU. Such packs are then placed in corrugated boxes and shipped to customers.

Mathematical instruments box

We procure tin sheets in packs. Each sheet is coated in a coating machine. The coated sheets are sent to the offset printing machine for printing the desired design on the tin sheets. After each print run, the sheets are baked in a machine oven to dry the colours. After the colour printing is completed, the sheet is coated with a protective coating and various effects such as gloss and matt finishing depending on the final effect required.

Once the printing has been completed, the sheet is sent to the cutting room. The printed sheets are cut and then sent to the punching machine to give the desired shape to the tin boxes. The top and bottom punched boxes are then assembled to make a final tin box. These tin boxes are then sent to fill the required components in the mathematical instrument boxes.

The inhouse manufacturing of rounder and dividers begin with the blanking of CRC coils. These blanked sheets are then bent into the desired shape. The legs of the rounder and divider are sent for chrome plating. The chrome plated divider legs are fitted with needles on one end of both the legs and joint on the opposite end with a screw and moulded top. For the chrome plated rounder, one leg is fitted with needle on one end, and the second leg is fitted with a pencil holder. Both the legs are then joint with a screw and moulded top.

The plastic components of the mathematical instrument boxes, which includes scale, set squares and protractors are manufactured by injection moulding process. Polystyrene granules are injected in an injection moulding machine. The injection moulding machine converts the granules to liquid polymers through high temperature and high pressure. The liquid polymer is then injected into the moulds where it is cooled, and the required plastic components are ready. The moulded scale, set squares and protractors are then sent to the printing machine where the required markings, representations and brand name are printed.

All the components of the mathematical instrument box along with the empty tin boxes are sent to the assembly unit, where all the components are put in the empty boxes. These boxes are then packed in paper sheets and then placed in corrugated boxes. The corrugated boxes are then shipped to customers.

Sketch pens

The manufacturing of Sketch pens involves the manufacturing of the plastic components (barrel, cap and back plug), tips, reservoir and inks. The barrel, cap, and back plug are manufactured from polymers through the injection moulding process. The sketch pen reservoir, which holds the ink, is manufactured from polyester. Further the tips are manufactured from polyester fibre. The ink is manufactured using dyes and solvents. All these products are manufactured in house.

The plastic components of the Sketch pens are manufactured using polypropylenes. During the injection moulding process, polypropylenes are heated at high temperature and pressure. The liquid polymer is then injected into moulds of the desired component, allowing it to cool and harden. These components are then transferred to the assembly machines.

Simultaneously, the tips and sketch marker pen reservoirs are manufactured inhouse as well as procured from third party vendors. The polyester staple fibre of a certain density is extruded through dyes and passed through resins. Then the extruded fibre passes through the curing unit and are then cut into tips of desired size. The tips are then shaped in grinding machine and shaping machine. The dust and other fine particles are then removed from the tips through a process of dusting and washing. These tips are then dried and sorted. They then pass through the quality check process and are then sent to the assembly unit. The sketch marker pen reservoir is made of polyester yarn. Depending on the density requirement of the reservoir, the yarn is passed through hot dye and plastic coating is done on the reservoir. Then the reservoir passes through a chilling unit and is then cut in desired length. The reservoirs are then checked and sent to the assembly unit.

All the components are collected in the assembly machine. In the assembly machine first the reservoir is inserted, then ink is filed in the reservoir. Post this, the back plug is attached to the back of the barrel. Thereafter, the tip is fixed at the front followed by the fitting of the cap. This way, individual shade Sketch pens are ready. These are then packed with multiple shades depending on the SKU in plastic or paper pack. Such packs are then placed in corrugated boxes and shipped to customers.

Erasers

The erasers manufactured are produced using TPR, a raw material more environment friendly than the earlier used materials like PVC. We manufacture our own TPR granules which are used for the manufacturing of erasers. The manufacturing of TPR granules involves the blending polymers, chemicals, catalysts, and fillers. The mixture is then heated into semi solid form through a twin extruder and then cooled to convert it into granules. Depending on the desired colour of the final erasers, pigments are added in the blending process.

The TPR granules are then heated at high temperature in an extrusion machine. The soft solid mixture is forced through a dye (of desired shape of final product) to form a long cylinder. The long cylinder passes through water to cool off. The cylinder is repeatedly cut at the end forming erasers in desired size. The erasers, depending on the design, are then transferred to printing machine where the brand name is printed on the eraser, or are directly move to the packing machine. The eraser packing process typically involves plastic wrapping and sleeving. However, depending on the design and type of final SKU, certain steps are added or skipped. The erasers are then packed in packs which are then placed in corrugated boxes and shipped to customers.

Exercise books

The exercise books are produced by our Material Subsidiary. These books are manufactured on one of the most automated exercise book manufacturing line. The paper, in reel form is purchased from India's leading paper mills. We procure printed title board using high quality board as per the design, specification, and requirements. These title boards are manufactured at Micro Wood Private Limited, which is a fellow subsidiary of Pioneer Stationery Private Limited. The paper reel is fed into the fully automatic exercise book machine. The paper reel is loaded on the shaft less reel unwinding stand of the machine. The paper reel then moves to the two-colour printing tower, where the lines on the paper are printed. The paper then moves to the cross-cutting unit where the printed sheets are cut depending on the pre-programed size requirement. The cut sheets are then overlapped and sent to the sheet counting and collating unit. Depending on the pre-programed page requirements of the final SKU, the collating unit combines the desired number of sheets, add one inserter for pre-printed index sheets and one inserter for pre-printed title covers. The collated pages and titles are then pushed to the pinning unit where the pages are pinned at the centre and then folded. The books are then cut in desired pre-programmed sizes and collected at the end table. This entire process from loading the reel to final individual book is done through the single automated machine. This automatic machine comes with a programmable logic controller which allows us to manufacture exercise books of different sizes and page counts.

The exercise books are then collected and segregated based on the title design. Six books of different title designs but same size and page count are shrink wrapped in a wrapping machine. The wrapped books are then placed in corrugated boxes and shipped to customers.

Production capacity and capacity utilisation

Please see below the table on production capacity and capacity utilisation for our key products across Fiscals 2021, 2022 and 2023. For the Fiscal 2023, the key products cumulatively contribute to nearly 80% of our Gross Product Sales.

Product segment		**Fiscals**								
		2021			**2022**			**2023**		
	UOM	**Installed capacity (units in million)**	**Actual production (units in million)**	**Capacity utilisation (%)**	**Installed capacity (units in million)**	**Actual production (units in million)**	**Capacity utilisation (%)**	**Installed capacity (units in million)**	**Actual production (units in million)**	**Capacity utilisation (%)**
Wooden pencils	Nos	864.00	687.43	79.56	1,080.00	1,045.26	96.78	1,512.00	1,413.59	93.49
Crayons	Nos	810.00	329.01	40.62	810.00	525.33	64.86	1,058.00	936.58	88.52
Mathematical instruments box	Nos	9.00	3.00	33.36	13.50	7.60	56.26	15.00	14.59	97.23
Water colour pens	Packs	37.50	31.20	83.19	43.50	41.02	94.30	70.00	65.68	93.83
Erasers	Nos	440.00	267.45	60.78	750.00	495.81	66.11	650.00	571.17	87.87
Exercise books	Nos	15.00	10.60	70.63	24.30	15.19	62.50	36.72	27.04	73.64
Polymer pencils	Nos	300.00	138.23	46.08	360.00	287.79	79.94	396.00	326.98	82.57
Sharpeners	Nos	180.00	112.67	62.59	270.00	221.72	82.12	420.00	357.27	85.06
Ball point pens	Nos	125.00	69.48	55.58	210.00	127.39	60.66	250.00	232.58	93.03
Drawing and Sketch book	Nos	5.06	3.21	63.44	6.56	5.60	85.42	7.56	5.34	70.64
All types of markers	Nos	21.00	17.05	81.19	27.00	25.32	93.78	43.50	38.86	89.33
Water colour cakes	Nos	100.00	65.14	65.14	100.80	97.87	97.10	122.40	96.67	78.98
Tempera colours	Packs	18.75	18.39	98.07	15.00	10.28	68.52	18.75	18.39	98.07
Scales	Nos	135.00	119.24	88.32	100.00	58.22	58.22	135.00	119.24	88.32

Research and Development and Design

As of September 30, 2023, we have a dedicated team of 50 employees working at a state of art R&D and design facility in Umbergaon, Gujarat, which is equipped with modern and advanced equipment’s to develop, test, and evaluate our products. Our product development initiatives are focused on meeting the requirements of our customers by identifying their needs and addressing the gaps in market relating to our focus areas. Our product development is driven by our cross-functional team which regularly engages with our customers.

Our in-house product design team focusses on developing products keeping in mind latest trends, customer lifestyles, aspirations, and preferences.

We undertake the following R&D activities like: (i) product evaluation; (ii) process development including feasibility studies, laboratory validation and development history reports; (iii) process scale up and validation; and (iv) regulatory filings and approvals. Our focus on R&D enables us to gain a competitive advantage by not only improving productivity but also reducing costs.

Distribution network

We ride on our extensive distribution network for the distribution and sale of our products with strong network of over 500 dedicated sales teams as of September 30, 2023.

Our distribution network in India can be categorised into three segments: (i) general trade; (ii) modern trade and e-commerce; and (iii) others.

- ***General trade***: We follow the classic FMCG distribution network for the general trade. We sell the products to super-stockist, who then sell it to a distributor or a direct dealer, who in turn sells it directly to wholesalers or retailers. Each super-stockist and distributor have their geographic territory defined and are required to sell only in their respective geographic territory. We have an agreement with all our key super-stockists, and it is their responsibility to appoint the distributors with our consultation. Further, we issue a price list on a periodic basis which highlights the price at which the super-stockist and distributor will supply the product in the market. We have a defined a minimum inventory level and a weekly delivery schedule for each of our key super-stockist. Depending on the stock level available, the sales team finalises the dispatch of products.

- ***Modern trade and e-commerce:*** This includes large format retail stores and chains. We directly supply *product* to the large format retailers and chains. For each of these retailers, there is a pre-agreed terms of trade that includes agreed mark down margins on the MRP. We supply goods to certain companies for exclusive sales on online platforms. During the current Fiscal, we have also started direct sales on e-commerce platforms through the Drop-Ship Model. We receive purchase order from these customers based on which stocks are supplied.

- ***Others:*** This primarily includes sales to OEMs and Institutions and the sales done to large corporates, institutions, and other companies either in their own brand or our brand. These products are used by the companies for internal consumption, gifting purpose, CSR activities or for sales in the open market. We receive purchase order from these customers based on which stocks are supplied.

Exports

We sell our products across all seven of our product categories in over 45 countries globally. Our channel network outside India is categorised into two segments: (i) export to the FILA Group; and (ii) third party exports.

- ***Export to the FILA Group:*** We export our products to the FILA Group in multiple geographies, across the Americas, Europe and Asia on a private label basis. Further, they raise purchase orders or give yearly forecasts and company supplies products based on these orders/ forecasts.

- ***Third party exports:*** We export our DOMS and C3 branded products to key export markets in Asia Pacific, Africa, Europe, and Middle East. Our export sales manager coordinates with our customers in these countries to understand their demand and requirements. We send them a proforma invoice, based on which the customer makes the payment, and the products are supplied to them.

Marketing and brand building

The strategic planning of our marketing and brand building activities are crucial to drive the growth of our business. We have effectively used digital media to increase awareness around our brand through our own social media channels. We are among the topmost followed stationery and art materials brands in India with a large following of over 10 lakh followers on YouTube, and over 40,000 followers on Instagram (*Source: Technopak Report*). We have also received a recognition from YouTube for passing 100,000 subscribers.

Considering our focus on digital marketing, creating, and maintaining digital awareness and brand campaigns is crucial to our business and accordingly we invest in various digital marketing and advertising campaigns. We focus on branding and promotion to further increase our visibility and market share. We have engaged with third-party agencies to strengthen our social media presence and brand building activities by engaging with our target audience through various campaigns.

We also undertake multiple direct customer outreach programs as a part of our marketing and brand building activities. We actively participate in B2B and B2C trade fairs across India as well as internationally. These help us in directly connecting with our consumers as well as our channel partners. We also conduct industrial tour where students, teachers, parents and artists visit our manufacturing facilities in Umbergaon, Gujarat to witness the various stages involved in the manufacturing of the products.

Competition

With respect to our 'stationery and art material' business, we face competition from domestic and international players. There is significant competition in the 'stationery and art material' industry in India, both in the organized and the unorganized market segments. We believe our strength of backward integrated manufacturing capabilities which allows us to produce multiple SKUs across 25 product segments separates us from our competitors. We also strive to constantly innovate new products and improvise the existing ones by keeping abreast of changing needs of customers through personal contact campaigns, readers' forums and conducting research on our markets. We compete on factors including, but not limited to, target audience, pricing, quality, wide range and availability. We also incentivise our channel partners through periodic product specific and target-based schemes.

Employees

Our employees are critical in strengthening our competitive position in the market. Our human resource policies focus on training and retaining our employees. As of September 30, 2023, we had 8,890 employees and 795 contract workers. The following table sets forth information on the number of our staff in various departments of our business, as of September 30, 2023:

Department	Number of Employees
HR and administration	88
Finance and accounts, secretarial, compliance, legal, and IT	42
Sales, marketing and commercial	537
R&D and design	50
Purchase and procurement	18
Production	7,635
Quality check and assurance	85
Others	435
Total	**8,890**

Note: Ohers include housekeeping and support staff.

We conduct training for our employees to understand our internal compliance and control processes, our health safety and quality control processes, promote teamwork and personal growth of employees. Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development, and addressing their grievances, if any, in a timely manner.

Information technology

We believe that our continuous investment in information technology has helped us in improving our productivity and operational efficiency. We continue to invest in building and strengthening our IT infrastructure. Our implementation of SAP as our ERP solution in the year 2015 has helped us to standardise our processes, and also provide necessary MIS for planning, performance monitoring and real time information to improve profitability. We continue to further enhance and customise our SAP system to improve and integrate our operations and functions.

Another key aspect of our investment in IT has been our investment in Sales Force Automation (SFA) and Distributor Management Systems (DMS). The SFA system enables us to improve and track the performance of our sales team and enhance the coordination between our Company and the retailers, distributors, and super stockists. The DMS system provides us with real time information over our super stockist's sales and inventory which enables us to gain deeper insights into the secondary sales and market trends.

To manage our large workforce, we have employed an integrated HR Management Software and Biometric Attendance tools. Our IT team along with our consultants manage, maintain, and monitor our IT infrastructure and systems, support the requirements of our business teams, and ensure the security of our systems. We will continue to invest in IT systems to help us operate efficiently, increase the scalability of our business, and accommodate future growth.

Environment, health, and safety

We are committed to operating responsibly and comply with the applicable environmental, health and safety regulations. We have adapted an EHS Policy that not only complies with the legislative requirements but is also aimed at incorporating responsible behaviour towards all our shareholders in operating our businesses, combining respect of people, natural environment, and society at large.

To protect the natural environment, we aim to reduce the environmental impact of our operations, our supply chain, and our products by adapting a continuous assessment of safer alternatives for hazardous substances, promote use of raw material with lower environment impact, reducing the extent of emissions, waste management, promote use of recycled material to the extent possible and continuously target to improve operations to promote environment positive impact where economically possible.

We aim to provide and maintain a healthy, safe working environment to minimize the risks to employees, contractors, visitors, and others who may be affected by our activities, while fulfilling consumer and customer expectations of high quality and safe products. We continuously monitor and identify health and safety risks in the workplace to control and mitigate such risks to achieve continual improvement in our health and safety performance. We develop and monitor specific systems, practices, and procedures to prevent accidents and, if they occur, to manage them responsibly and to carefully investigate the causes with the aim of introducing measures to prevent them from recurring.

We are committed to engaging our people at every level in implementing our environmental, health and safety policy through all appropriate measures and initiatives. These include information and training efforts which is specifically aimed at promoting health and safety policies.

Intellectual property

We have been granted 13 registered designs under the Designs Act, 2000, and 419 registered trademarks under the Trade Marks Act, 1999, in India and 88 registered international trademarks. Our Corporate Promoter has issued our Company brand authorisation letters to use the trademarks of certain entities under the FILA Group. For further details, see "*History and Certain Corporate Matters – Key terms of other subsisting material agreements- Brand authorisation letters dated (i) March 11, 2021 issued by Fila-Arches, (ii) March 11, 2021 issued by Canson, (iii) March 11, 2021 issued by Dixon Ticonderoga Company, (iv) October 1, 2020 issued by FILA, (v) October 1, 2020 issued by Daler Rowney Limited, (vi) October 1, 2020 issued by Johann Froescheis*

Lyra-Bleistift Fabrik GmbH & Co. KG, (vii) October 1, 2020 issued by Industria Maimeri S.P.A., (viii) March 11, 2021 issued by Princeton Artist Brush Company, and (ix) March 3, 2021 issued by St. Cuthbert's Mill Ltd (together, "Brand Authorisation Letters)" on page 242 of this Red Herring Prospectus.

Awards and accreditations

Over the years we have received several awards and accolades, the most notable of which include:

- "Top Exporters Award for the Year 2021-2022" from the Pen & Stationery Association of India;
- "The Economic Times Promising Brands 2021" recognition from the Economic Times; and
- "India's No. 1 Brand Award 2017" from the International Brand Consulting Corporation, USA.

For further details and list of awards and accreditations received by us, see "*History and Certain Corporate Matters – Key rewards, accreditations or recognitions*" on page 238.

Insurance

We have insurance coverage which we consider is reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with industry standards in India. We also maintain comprehensive insurance coverage and have various insurance policies to protect our employees and assets, including, marine insurance, mediclaim and group personal accident insurance, workmen's compensation insurance, business public liability insurance and standard fire and special perils insurance. For further details, see "*Risk Factors – 24. Insurance coverage - Our insurance coverage may not be adequate to protect us against all material risks.*" on page 48.

Corporate Social Responsibility

We have constituted a CSR committee of our Board of Directors and have adopted and implemented a CSR policy pursuant to which we carry out our CSR activities with certain focus areas, *inter alia,* promoting healthcare, education, rural development, disaster relief, benefit of armed forces, socioeconomic development, relief and welfare of scheduled casts, the scheduled tribes, other backward classes and minorities and other areas of public service.

Our CSR expenditure aggregated to ₹15.60 million, ₹1.20 million and ₹4.55 million for Fiscals 2021, 2022, and 2023, respectively, contributing to 0.37%, 0.02%, 0.04% of our total expenditure, respectively.

Property

The Registered Office of our Company is located at J-19, Opp. Telephone Exchange, G.I.D.C, Umbergaon – 396 171, Dist. Valsad, Gujarat, India has been leased by us from Gujarat Industrial Development Corporation for a period of 99 years. The Corporate Office of our Company is located at Plot No. 117, 52 Hector Expansion Area G.I.D.C., Umbergaon, Valsad– 396 171, Gujarat, India is also held by us on a long-term lease basis from Gujarat Industrial Development Corporation. Further, the manufacturing facilities of our Company in Umbergaon, Gujarat and Jammu are either owned by us or have been leased by us from Industrial Development Corporations in Gujarat or Jammu or held by us on lease and leave and license basis. Typically, other that the facilities taken on long term lease from Industrial Development Corporations, the term of our lease ranges from 36 months to 11 years. We are required to pay a security deposit, specified monthly rentals and common area maintenance charges for the duration of our lease agreements, subject to periodic escalations at agreed rates. As of September 30, 2023, our Company has seven warehouses and three depots located in Umbergaon, Gujarat which are held on lease and leave and license basis.

Further details regarding the ownership of our manufacturing units are set forth below:

DOMS Industries Limited

Unit no.	Location	Ownership type	Date of agreement/ allotment/ transfer	Tenure (in years)
I	J - 19, GIDC, Umbergaon, Gujarat	Leased	February 8, 2012	61

	50+53 PF, GIDC, Umbergaon, Gujarat	Leased	February 8, 2012	69
	J - 20, GIDC, Umbergaon, Gujarat	Leased	July 7, 2017	77
	50+53 PG, GIDC, Umbergaon, Gujarat	Leased	July 7, 2017	77
	Plot No. 54, GIDC, Umbergaon, Gujarat	Leased	February 8, 2012	75
	J-18, 50+53 PE, GIDC, Umbergaon, Gujarat	Leased	May 21, 2023	52
II	New Survey No. 94, Village Dehari, Umbergaon, Gujarat	Owned	-*	-
	Plot No 117, 52 Hector Expansion Area, GIDC, Umbergaon, Gujarat	Leased	February 8, 2012	96
	Raj Industrial Estate, S. No. 96, Dehri, Umbergaon, Gujarat	Leased	October 15, 2018	9
III	Accurax Systems, S. No. 96/1/P2& 96/1/2/1, Village Dehri, Umbergaon, Gujarat	Leased	January 1, 2022	5
IV	Plot No 118, 52 Hector Expansion Area, GIDC, Umbergaon, Gujarat	Leased	January 4, 2023	5
V	Plot No 32, 33, 34, 44, 45 & 46, 52 Hector Expansion Area, GIDC, Umbergaon, Gujarat	Leased	February 8, 2012	91
VI	Plot No. 26, 52 Hector Expansion Area, GIDC, Umbergaon, Gujarat	Leased	May 1, 2022	10
VII	Survey No. 151/2, GIDC Road No 14, Umbergaon, Gujarat	Leased	April 1, 2022	5
VIII	Plot No. 78/1,79, 80/1,80/2 & 81/PA, GIDC, Umbergaon, Gujarat	Leased	May 1, 2021	5
	Plot No. 78/1,79, 80/1,80/2 & 81/PB, GIDC, Umbergaon, Gujarat	Leased	April 1, 2021	5
IX	Plot No. 48-49/1, GIDC, Umbergaon, Gujarat	Leased	October 1, 2021	7
X	Plot No. 211/A / GIDC, Umbergaon, Gujarat	Leased	April 1, 2023	5
XI	EPIP Kartholi, SIDCO Complex, Bari Brahmana, Jammu & Kashmir	Leased	June 9, 2014	85

** The land was earlier divided into five different survey numbers, acquired through four different agreements dated December 28, 2011, April 15, 2015, July 24, 2017 and February 5, 2018 respectively. Pursuant to an amalgamation order dated June 23, 2022, the five survey numbers were amalgamated into a single survey number.*

Pioneer Stationery Private Limited

Unit no.	Location	Ownership type	Date of agreement/ allotment/ transfer	Tenure (in years)
I	Survey No. 2784 & 2785, GIDC, Umbergaon, Gujarat	Leased	January 1, 2021	9

Micro Wood Private Limited

Unit no.	Location	Ownership type	Date of agreement/ allotment/ transfer	Tenure (in years)
I	SHED C, D & E of Survey No. 161/5/PAIKEE 2 (New Survey No. 2784), Survey No. 161/5/PAIKEE 3 (New Survey No. 2785)	Leased	September 1, 2021	9
II	Survey No 39/ P1 Plot No 12, 13 & 14, Dehri, Umbergaon, Gujarat	Leased	April 1, 2019	5

KEY REGULATIONS AND POLICIES IN INDIA

Given below is a summary of certain major sector specific and relevant statutes, rules and/or policies, which are applicable to our business operations in India. Taxation statutes such as the Income-tax Act, 1961, Customs Act, 1962, the Central Goods and Service Tax Act, 2017, and other miscellaneous regulations and statutes apply to us as they do to any Indian company.

The information in this section has been obtained from various statutes, rules and/or local legislations available in the public domain. The description of the applicable statutes, rules and/or local legislations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative, or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see the section titled "Government and Other Approvals" on page 403.

Sale of Goods Act, 1930 (the "Sale of Goods Act")

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Consumer Protection Act, 2019 ("CPA")

The CPA, which repealed the Consumer Protection Act, 1986, was enacted to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes. Further, the definition of "consumer" has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing. The CPA empowers the Central Government to constitute the Central Consumer Protection Authority to be known as the Central Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the CPA. In cases of manufacturing for sale or storing, selling or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act provides for the establishment of a national body, to be called the Bureau of Indian Standards ("**BIS**"), for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto. The BIS Act provides for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment; and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government, in consultation with the BIS, to order compulsory use of standard mark for any goods or article of any scheduled industry, process, system or service, or essential requirements to such goods, article, process, system or service if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

The Legal Metrology Act, 2009 ("Legal Metrology Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 ("Packaged Commodity Rules")

The Legal Metrology Act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standard weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. As per the Legal Metrology Act, the units of weights and measures must be in accordance with the metric system based on the international system of units only. Any non-compliance or violation of the provisions of the Legal Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Legal Metrology Act allows companies to nominate a director who will be held responsible for the breach of its provisions.

The Packaged Commodities Rules were framed under Sections 52(2)(j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. The Packaged Commodities Rules provide that no person shall pre-pack or cause or permit to be pre-packed any commodity for sale, distribution or delivery unless the package in which the commodity is pre-packed bears thereon, or on a label is securely affixed thereto, such declarations as are required to be made under the Packaged Commodities Rules. The Legal Metrology (Packaged Commodities) (Amendment) Rules, 2022 ("**2022 Amendment Rules**") have amended the Packaged Commodities Rules and state that the unit sale price in rupees shall be rounded off to the nearest two decimal place. Further, the 2022 Amendment Rules have omitted the Second Schedule of the Packaged Commodities Rules, which specified the quantities of commodities by weight, measure or number. As per the 2022 Amendment Rules, no prosecution shall be initiated against the manufacturer or packer or importer of pre-packaged commodities for making declaration with effect from April 1, 2022, in accordance with the Packaged Commodities Rules. The 2022 Amendment Rules have come in force on June 1, 2023.

The Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boiler Regulations")

The Boilers Act was enacted to consolidate and amend the law relating to steam-boilers. As per the Boilers Act, no owner of a boiler that is not exempted from the Boilers Act shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of the Boilers Act. Any contravention to the provisions of the Boilers Act will be punishable with imprisonment, which may extend to 2 years or with fine which may extend to ₹0.1 million or with both. The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations inter alia deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings, the safety of persons inside boilers.

Gujarat Land Revenue Code, 1879 ("GLR Code")

The GLR Code was enacted to consolidate and amend the law relating to revenue officers and the land revenue in the State of Gujarat. As per the GLR Code, the Government of Gujarat shall be the chief controlling authority in all matters connected with the land revenue. The GLR code also provides for the appointment of a collector ("**Collector**") and as many additional Collectors, assistant Collectors and deputy Collectors for each district as the Government of Gujarat may deem fit. As per the GLR Code, where the occupant of any land used or held for the purpose of agriculture wishes to use the land for bona fide industrial purpose other than the purpose of manufacture or storage of any chemical or petrochemical, it shall be lawful for him to use such land for such bona fide industrial purpose without the permission of the Collector, subject to the conditions laid down in the GLR Code. Where any occupant commences the use of the land for a bona fide industrial purpose, he shall within thirty days from the date of commencement of such use, send a notice of the date of commencement along with other particulars in such form as may be prescribed by rules made under the GLR Code of such use to the Collector and endorse a copy to the mamlatdar. If, upon receipt of such notice, the Collector is satisfied that the occupant of such land has validly commenced the use of the land for a bona fide industrial purpose, he shall issue a certificate to that effect to the occupant.

Gujarat Tenancy and Land Agricultural Act, 1948 ("GTAL Act")

The GTAL Act was enacted to regulate and impose restrictions on the transfer of agricultural lands, dwelling houses, sites and lands appurtenant thereto belonging to or occupied by agriculturists, agricultural labourers and artisans in the province of Bombay and extends to the Bombay area of the State of Gujarat. The GTAL Act states that no sale, gift, exchange or lease of any land or interest therein covered under the GTAL Act shall be made to non-agriculturalists without the previous sanction of the collector, save for any person who intends to convert the land for bona fide industrial purposes. As per the GTAL Act, where any land covered under the GTAL Act is sold to a person for bona fide industrial purposes, the purchaser shall within thirty days from the date of purchase send a notice of such purchase in such a form along with such other particulars as may be prescribed to the Collector. Upon receipt of such a notice, if the Collector is satisfied that the land has been validly purchased for bona fide industrial purpose in conformity with the provisions of the GTAL Act, he shall issue a certificate to that effect.

Industries (Development and Regulation) Act, 1951 ("IDAR Act")

The IDAR Act has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries, including among others, all types of electronic aerospace and defence equipment. The IDAR Act is administered by the Ministry of Commerce and Industries through the DPIIT.

Foreign Investment Legislations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 ("**FEMA**") along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy issued by the DPIIT from time to time. The DPIIT on October 29, 2020, has issued the consolidated Foreign Direct Investment Policy of 2020 ("**FDI Policy**"), which lays down certain guidelines and conditions for foreign direct investment in various sectors**.** As per the FDI Policy, 100% foreign direct investment under the automatic route is permitted in the manufacturing sector.

The Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the Foreign Trade Policy, 2023

The Foreign Trade Act, read with the applicable provisions of the Indian Foreign Trade Policy 2023, authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The Central Government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act requires every importer as well as exporter to obtain the Importer Exporter Code Number ("**IEC**") from the Director General of Foreign Trade ("**Director General**") or the authorized officer. The Director General is authorised to suspend or cancel IEC in case of (i) contravention by any person any of the provisions of the Foreign Trade Act or any rules or orders made thereunder or the foreign trade policy or any other law for the time being in force relating to Central excise or customs or foreign exchange or person has committed any other economic offence under any other law for the time being in force as may be specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or has brought disrepute to the credit or the goods of, or services or technology provided from, the country; or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of the Foreign Trade Act or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special licence, granted by the Director General to that person in a manner and subject to conditions as may be prescribed.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

Labour law legislations

Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA Act")

The CLRA Act has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The

CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period, in case the contractor does not provide such facilities. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

The Factories Act, 1948 ("Factories Act")

The Factories Act defines a "factory" to cover any premises where 10 or more workers are working or were working on any day of the preceding 12 months and in any part of which a manufacturing process is carried on with the aid of power, or is ordinarily so carried on, or any premises where at least 20 workers are working or were working on any day of the preceding 12 months and in and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers while they are at work in the factory. As per the Factories Act, any person who designs, manufactures, imports or supplies and article for use in any factory shall, *inter alia*, ensure, so far as is reasonably practicable, that the article is so designed and constructed as to be safe and without risks to the health of the workers when properly used and carry out or arrange for the carrying out of such tests and examination as may be considered necessary for the effective implementation of such duty. The Factories Act provides various safeguards for the safety and welfare of workers in a factory. The penalties for contravention of the Factories Act include fine and imprisonment for the 'occupier' or 'manager' as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials. Each State Government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof.

Other Labour law legislations

The various labour and employment related legislations that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- *Child Labour (Prohibition and Regulation) Act, 1986; and Child Labour (Prohibition and Regulation) Rules, 1988;*
- *Employees' Compensation Act, 1923;*
- *Employees' Provident Funds and Miscellaneous Provisions Act, 1952;*
- *Employees' State Insurance Act, 1948;*
- *Equal Remuneration Act, 1976;*
- *Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956;*
- *Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957;*
- *Industrial Employment (Standing Orders) Act, 1946;*
- *Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;*
- *Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Act, 1988 as amended by Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Amendment Act, 2014;*
- *Maternity Benefit Act, 1961;*
- *Minimum Wages Act, 1948;*
- *Payment of Bonus Act, 1965;*
- *Payment of Gratuity Act, 1972;*
- *Payment of Wages Act, 1936;*
- *Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;*
- *The Employee's Compensation Act, 1923 as amended by Employee's Compensation (Amendment) Act, 2017;*
- *Trade Unions Act, 1926; and*
- *Workmen's Compensation Equal Remuneration Act, 1976.*

In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

(a) **Code on Wages, 2019**, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

(b) **Industrial Relations Code, 2020**, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

(c) **Code on Social Security, 2020**, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Workers' Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

(d) **The Occupational Safety, Health and Working Conditions Code, 2020**, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

Environment protection laws

Environment (Protection) Act, 1986 (the "EP Act"), Environment (Protection) Rules, 1986 (the "EP Rules") and Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of environmental pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations. Further, the EP Rules specify, inter alia, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

Air (Prevention and Control of Pollution) Act, 1981(the "Air Act") and Air (Prevention and Control of Pollution) Rules, 1982 ("Air Rules")

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. Further, such an industrial plant shall not be permitted to emit air pollutants in excess of the standards laid down by the state pollution control board. The Air Rules provides for the procedure for transaction of business of the central pollution control board ("Central Board") and its various committees. The Air Rules further mandate the Central Board to submit an annual report with a full account of its activities in the previous year to the Central Government.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act") and Water (Prevention and Control of Pollution) Board, 1975 ("Water Rules")

The Water Act was enacted to control and prevent water pollution and for maintaining or restoring of wholesomeness of water in the country. The Water Act provides for the establishment of Pollution Control Boards ("PCBs") at Central and State levels to establish and enforce standards for discharging pollutants into water bodies. Further, any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state PCB. The Water Rules provide for inter alia the terms and conditions of service of members of the Central PCB and its various committees and the functions of the central water laboratory. As per the Rules, the Central PCB has the power to take samples of water, for the purpose of analysis, from any sewage or trade effluent into any stream or well in any Union Territory. Further, the Water Rules mandate the Central PCB to submit an annual report with a full account of its activities in the previous financial year to the Central Government.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term "hazardous waste" has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "occupier". Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter and operator is liable for all damages caused to the environment resulting from the improper handling and disposal of hazardous and other waste and the occupier or operator of the disposal facility shall be liable to pay any financial penalty that may be levied for any violation of the provisions of the Hazardous Waste Rules by the respective state pollution control board with the prior approval of the central pollution control board.

Plastic Waste Management Rules, 2016 ("PWM Rules")

The PWM Rules are applicable to every waste generator, local body, gram panchayat, manufacturer, importers and producer. Under the PWM Rules, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2000, 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. Further, every waste generator shall take steps to minimize generation of plastic waste. The PWM Rules further provide for levy of environmental compensation based upon the polluter pays principle on persons who are not complying with the provisions of the PWM Rules, as per guidelines notified by the Central PCB.

Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules")

The Noise Pollution Rules were enacted to regulate and control noise producing and generating sources with the objective of maintaining of ambient air quality standards in respect of noise. Pursuant to the Noise Pollution Rules, different areas / zones shall be classified into industrial, commercial, residential or silence areas/zones, with each area having a permitted ambient air quality standard in respect of noise. The Noise Pollution Rules provide for penalties in case the noise levels in any area / zone exceed the permitted standards.

Intellectual property laws

Trade Marks Act, 1999 ("Trademarks Act") and the Trade Marks Rules, 2017 ("Trademarks Rules")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement of such marks. The Trademarks Act permits registration of trademarks for goods and services and prohibits any registration of deceptively similar trademarks or compounds, among others. It also covers infringement of trademarks and falsifying and falsely applying for trademarks. As per the Trademarks Act, any person found to be falsifying trademarks shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees. The Trademarks Rules provide for *inter alia* the procedures for filing an application for registration of trademarks to the Trade Marks Registry ("**Registry**") and for filing an opposition to any application for registration of a trademark.

Designs Act, 2000 ("Designs Act") and the Designs Rules, 2001 ("Designs Rules")

The Designs Act along with the Designs Rules ("**Designs Laws**") govern the protection of designs, defined as the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means. The Designs Laws were enacted to protect new or original designs from getting misappropriated. A new or original design not previously published in any country and which is not contrary to public order or morality can be registered under not more than one class. The registered proprietor of the design shall have a copyright in the design for ten years from the date of registration which is extendable for another five years form the expiration of the original period of ten years. The Designs Laws permit the proprietor to file a suit for recovery of damage and as well as an injunction in the event of piracy of a registered design.

Other applicable laws

In addition to the above, our Company is also required to comply with the Companies Act, 2013 and rules framed thereunder, the Competition Act, 2002 and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as '*Writefine Products Private Limited*' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 24, 2006, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Pursuant to a Board resolution dated April 6, 2017 and a special resolution dated April 11, 2017, the name of our Company was changed to '*DOMS Industries Private Limited*' and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on April 21, 2017. Upon the conversion of our Company into a public limited company, pursuant to the approval accorded by our Shareholders at their extra-ordinary general meeting held on July 14, 2023, the name of our Company was changed to "*DOMS Industries Limited*" and a fresh certificate of incorporation consequent upon change of name upon conversion to public limited company was issued to our Company by the RoC on August 3, 2023.

Change in the registered office of our Company

Except as stated below, there has been no change in the address of our registered office since the date of incorporation:

Effective date of change	Details of change	Reason for change
April 9, 2011	The registered office of our Company was changed from Plot No. C1-1913, III Phase, Near Water Tank, G.I.D.C., Umbergaon 396 171, Gujarat, India to J-19, G.I.D.C, Opp. Telephone Exchange, Umbergaon – 396 171, Dist. Valsad, Gujarat, India	For administrative convenience

Main objects of our Company

The main objects contained in our Memorandum of Association are as mentioned below:

1. *To carry on in India or elsewhere, with or without collaboration, the business to manufacture, produce, process, pack, repack, buy, sell, resell, export, import, develop, design, market, procure, print, supply, and to act as agent, representative, consultants, collaborator, stockiest or otherwise to deal in all shapes, sizes, description, applications, specifications, designs, varieties and kinds of writing instruments including pens, ball pens, pencils, mechanical pencils, signing pens, roller pens, micro tip pens, sketch pens, highlighters, text markers, commercial markers, permanent markers, board markers, graphic art markers, specialty markers, paint and decorative markers.*

2. *To carry on in India or abroad the business of exporters, importers, distributors, merchants, manufacturers, traders, stockists, suppliers in all types of Art material, Modelling material, 8 Wooden slats, computer stationery, office stationery, school stationery items like pen, pencils, sharpeners, erasers, sketch pens, drawing colours, water colours, adhesive, scale, account books, mathematical compass box, engineering drawing instruments and any other stationery items.*

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

Amendments to our Memorandum of Association in the last 10 years

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Red Herring Prospectus:

Effective date of change	Particulars
April 11, 2017	Clause I of the MoA was substituted to reflect the change in the name of our Company from 'Writefine Products Private Limited' to 'DOMS Industries Private Limited'.
July 3, 2023	Clause V of the MoA was substituted to reflect the increase in the authorised share capital of our Company from ₹5,000,000 consisting of 500,000 Equity Shares of ₹10 each to ₹700,000,000 consisting of 70,000,000 Equity Shares of ₹10 each
July 14, 2023	Clause I of the MoA was substituted to reflect the change in the name of our Company from

Effective date of change	Particulars
	‘DOMS Industries Private Limited’ to ‘DOMS Industries Limited’ pursuant to conversion of our Company from private to public.

Major events and milestones

The table below sets forth the major events and milestones in the history of our Company and Subsidiaries:

Calendar Year	Particulars
2006	Commencement of operations by our Company
2011	Purchased the business of the partnership firm S. Tech Industries, Gujarat, on a slump sale basis as a going concern
2011	Purchased the business of the partnership firm R.R Industries, Gujarat, on a slump sale basis as a going concern
2012	Purchased the business of the partnership firm R.R Industries, Jammu & Kashmir, on a slump sale basis as a going concern
2012	Acquisition of 18.50% stake by FILA in our Company
2015	Acquisition of 49.00% stake in Pioneer Stationery Private Limited, a company having operating revenue of ₹51.44 million in Fiscal 2016
2015	Acquisition of additional 32.50% stake by FILA in our Company
2016	Increased our stake in Pioneer Stationery Private Limited to 51.00%
2016	Acquisition of 35.00% stake in Uniwrite Pens and Plastics Private Limited
2017	Increased stake in Uniwrite Pens and Plastics Private Limited to 60.00%
2023	Acquisition of 30.00% stake in Clapjoy Innovations Private Limited, a company having operating revenue of ₹1.59 million in Fiscal 2023
2023	Divestment of stake in Uniwrite Pens and Plastics Private Limited
2023	Acquisition of 75.00% stake in Micro Wood Private Limited, a company having operating revenue of ₹558.60 million in Fiscal 2023

Key awards, accreditations or recognitions

Our Company has received the following key awards, accreditations and recognitions:

Year of Award	Particulars
2016	Awarded “India’s Most Trusted Brand 2016” by the International Brand Consulting Corporation, USA.
2017	Awarded “India’s Most Trusted Brand Award 2017” by the International Brand Consulting Corporation, USA.
2017	Awarded “India’s No. 1 Brand 2017” by the International Brand Consulting Corporation, USA.
2018	Awarded the “Brand Leadership Award” at the Gujarat Best Brand Awards 2018.
2019	Awarded “Asia’s Most Trusted Brand Award 2019” by the International Brand Consulting Corporation, USA.
2019	Recognised as one of the “Promising Brands 2019” by the Economic Times.
2019	Awarded the “Export Excellence Award” for admirable export for the year 2018-19 by the Pen & Stationery Association of India.
2020	Accorded the “Two Star Export House” status by the Directorate General of Foreign Trade, Ministry of Commerce & Industry, Government of India.
2021	Recognised as one of the “Promising Brands 2021” by the Economic Times.
2023	Awarded the “Top Exporters Award” for being the number one exporter of the year 2021-22 by the Pen & Stationery Association of India.

Our holding company

FILA, the Corporate Promoter holds 51.00% of our Company and is our holding company as on the date of this Red Herring Prospectus. For further details, see the section titled “*Our Promoters and Promoter Group*” on page 272.

Our Subsidiaries

As on the date of this Red Herring Prospectus, our Company has two Subsidiaries, namely Pioneer Stationery Private Limited and Micro Wood Private Limited. For details with respect to our Subsidiaries, see the section titled "*Our Subsidiaries and Our Associate*" on page 245.

Our Associate or joint ventures

As on the date of this Red Herring Prospectus, our Company has one Associate, namely Clapjoy Innovations Private Limited. For details with respect to our Associate, see the section titled "*Our Subsidiaries and Our Associate*" on page 245.

Our Company has no joint ventures as on the date of this Red Herring Prospectus.

Time/cost overrun in setting up projects by our Company

Our Company has not experienced any time or cost overruns in setting up its projects.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from the lenders.

Significant financial and/or strategic partners.

Except FILA, the Corporate Promoter of our Company, our Company does not have any significant financial and/or strategic partners as on the date of filing this Red Herring Prospectus. For details with respect to our strategic partnership with FILA, see "*Our Business - Strategic partnership with F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A. enabling access to global markets and product know-how*" on page 210.

Capacity/ facility creation, location of plants, launch of key products or services, entry into new geographies or exit from existing markets.

For details of key products or services launched by our Company, capacity/ facility creation, location of our Manufacturing Facilities, entry into new geographies or exit from existing markets to the extent applicable, see the section titled "*Our Business*" on page 201.

Details of material acquisitions or divestments of business/ undertaking in the last 10 years

Except as disclosed below, our Company has not made any material acquisitions or divestments of any business/undertaking in the 10 years preceding the date of this Red Herring Prospectus:

Share purchase agreement dated August 1, 2015 between our Company, Pioneer Stationery Private Limited ("Pioneer"), Rajendra Bhavanji Gala ("RG"), Kanti Bhavanji Gala ("KG"), Pooja Rajendra Gala ("PG") and Bhavna Rajendra Gala ("BG", together with RG, KG, and PG referred to as the Sellers") ("Pioneer SPA"); and Shareholders' Agreement dated August 1, 2015 executed by and among our Company, Pioneer and the Sellers ("Pioneer SHA")

A memorandum of understanding dated December 9, 2014 ("**MoU**") was entered into between KG, RG and our Company to set out the key terms of the Pioneer SPA for the sale of 24,500 equity shares pursuant to which the Sellers expressed their desire to sell all their remaining shares in Pioneer to our Company in a phased manner.

Pursuant to the Pioneer SPA, the Sellers sold 24,500 equity shares comprising 49.00% of the share capital of Pioneer ("**Sale Shares**") to our Company for a total consideration of ₹21.62 million. In accordance with the terms of the Pioneer SPA, our Company was entitled to an exclusive option but not an obligation, exercisable before the first anniversary of the completion date (as defined in the Pioneer SPA) to purchase an additional 2.00% of the equity shares comprising of 1,000 equity shares owned by RG and KG, such that in aggregate with the Sale Shares, would entitle our Company to 51.00% of the equity shares of Pioneer at an aggregate price of ₹0.88 million. Our Company exercised its option to acquire 2.00% of the equity shares of Pioneer on May 1, 2016. Thus, Pioneer became a subsidiary of our Company with effect from May 1, 2016.

Further, our Company is also entitled to an exclusive option but not an obligation ("**Second Call Option**"), after the fifth anniversary of the completion date (as defined in the Pioneer SPA) to purchase the remaining shares held by the Sellers such that in aggregate would entitle our Company to 100.00% of the equity shares of Pioneer for a consideration of ₹21.62 million or an amount as calculated basis agreed upon matrices, whichever was higher, at the time. Our Company can exercise the Second Call Option by delivery of a written notice to the Sellers setting out the number of call shares and the call price. For details of Pioneer, please see the section titled "*Our Subsidiaries and Our Associate*" on page 245.

The Pioneer SHA was entered into to regulate the terms and conditions of the relationship *inter se* the Sellers and our Company with respect to their shareholding in Pioneer and the terms and governance and management of Pioneer.

Mergers or amalgamations in the last 10 years

Our Company has not undertaken any merger or amalgamation in the 10 years preceding the date of this Red Herring Prospectus.

Revaluation of assets in the last 10 years

Our Company has not revalued its assets in the 10 years preceding the date of this Red Herring Prospectus.

Shareholders' agreements

Except as disclosed below, our Company does not have any subsisting shareholders' agreements:

Shareholders' Agreement dated December 16, 2011 ("Previous SHA") executed by and among our Company, FILA, Santosh Rasiklal Raveshia, Sejal Santosh Raveshia, Chandni Vijay Somaiya, Sheetal Hiren Parpani, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani and Shilpa Ketan Rajani (collectively, "Indian Shareholders", and together with our Company and FILA, the "Parties"), Amended and Restated Shareholders' Agreement dated October 26, 2015 executed by and among the Parties ("SHA"), and the Waiver cum Amendment Agreement dated August 17, 2023 to the SHA entered into by and among the Parties ("Waiver cum Amendment Agreement")

FILA acquired Equity Shares in our Company pursuant to the Share Subscription Agreement dated December 16, 2011, the Share Subscription Agreement dated October 26, 2015 and the Share Purchase Agreement dated October 26, 2015. The Parties also entered into the Previous SHA and the SHA to regulate the terms and conditions of the relationship between the Parties with respect to their shareholding in our Company and the management and governance of our Company.

In terms of the SHA, FILA and the Indian Shareholders have certain rights and obligations which include, amongst others, the (i) right to nominate Directors on our Board ("**FILA Nominee Directors**" and "**Indian Shareholders Nominee Directors**"), subject to certain shareholding thresholds in the Company; (ii) right to have FILA Nominee Directors and Indian Shareholders Nominee Directors as part of every committee of our Board; and (iii) certain affirmative voting matters including for changes in the memorandum and articles of our Company, acquisition of assets, disposal of assets, merger, demerger, amalgamation of our Company, increasing or decreasing the authorised or issued share capital, etc. Further, under the SHA, each of the Parties also have, (i) pre-emptive rights on a *pro rata* basis to subscribe to any additional Equity Shares issued by our Company; and (ii) the right of first refusal/ tag-along rights in case of transfer of Equity Shares. Additionally, our Company shall provide FILA with the following information from time to time: (i) annual reporting as may be required by FILA, (ii) financial statements/ audited reports, (iii) annual budget/ projections; and (iv) annual, half-yearly, quarterly and monthly accounts ("**Company Information**").

In order to facilitate the Offer and in accordance with applicable laws, the Parties have entered into the Waiver cum Amendment Agreement, which provides for the waiver and amendment of certain terms of the SHA. Pursuant to the Waiver cum Amendment Agreement, FILA and the Indian Shareholders shall be entitled to nominate Directors on our Board which shall be in accordance with certain shareholding thresholds calculated on a fully diluted basis in the Equity Share capital of our Company. However, such nomination rights are subject to the aggregate shareholding of FILA (together with its affiliates) and the Indian Shareholders, individually, in our Company not falling below 10% of the Equity Share capital of our Company ("**Nomination Rights**"). Further, pursuant to the Waiver cum Amendment Agreement, the Company shall continue to provide Company Information to FILA. The Waiver cum Amendment Agreement shall remain as part of the Articles of Association till the date of filing of the updated Draft Red Herring Prospectus with SEBI ("**Filing Date**"). With effect from the Filing Date, all the provisions with respect to the SHA and the Waiver cum Amendment Agreement included in the AoA, shall automatically terminate from the AoA, without any further corporate or other action, by our Company or its Shareholders. Further, all provisions of the SHA and the Waiver cum Amendment Agreement shall also terminate and cease to have effect from the Filing Date, except for the Nomination Rights and our Company's obligation to provide Company Information, as described in the paragraph above, which shall survive until listing of the Equity Shares on the Stock Exchanges. From the date of listing of the Equity Shares on the Stock Exchanges pursuant to the Offer, such Nomination Rights and the Company's obligation to provide Company Information shall be effective only post receipt of approval of the public shareholders by way of a special resolution, at the first Shareholders' meeting held by our Company post listing of its Equity Shares pursuant to the Offer.

With effect from the date of filing of the updated Draft Red Herring Prospectus with SEBI ("**Filing Date**"): (i) all special rights available to the Promoters/ Shareholders under Part B of the Articles of Association shall automatically terminate and cease to have effect, and (b) all special rights available to the Promoters/ Shareholders under the SHA and the Waiver cum Amendment Agreement (together the "**Agreement**") other than the Nomination Rights and the obligation of the Company to provide Company Information, shall automatically terminate and cease to have effect. However, with regard to Nomination Right and the obligation of the Company to provide Company Information in the Agreement, as described in the paragraph above, the same shall be effective post listing only after receipt of approval of the public shareholders by way of a special resolution, at the first Shareholders' meeting held by our Company post listing of its Equity Shares pursuant to the Offer.

The Parties have further agreed that in the event: (i) the consummation of the Offer is not completed on or prior to a long stop date (as described in the Waiver cum Amendment Agreement), or (ii) our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, decide not to undertake the Offer, the Waiver cum Amendment Agreement shall stand immediately terminated with effect from a long stop date (as described in the Waiver cum Amendment Agreement) or on the date on which our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, decide not to undertake the Offer, whichever is earlier, without any further action by any Party, and the SHA shall immediately and automatically stand re-instated with full force and effect.

Key terms of other subsisting material agreements other than in the ordinary course of business

Except as disclosed below, 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.

1. ***Family Governance Agreement dated August 17, 2023 ("Family Governance Agreement"/ "Agreement") by and among Santosh Rasiklal Raveshia, Chandni Vijay Somaiya, Sejal Santosh Raveshia, Sheetal Hiren Parpani (collectively, the "Raveshia Family") and Sanjay Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani, Ketan Mansukhlal Rajani and Shilpa Ketan Rajani (collectively, the "Rajani Family", and together with the Raveshia Family, the "Members")***

   The Members have entered into the Agreement to ensure that the Members act as a combined block in the governance and management of their rights in respect to our Company. In order to act as such combined block, the Agreement imposes several obligations on the Members, which include (a) constitution of a Family Council (as defined in the Family Governance Agreement), in order to ensure that the Members vote in a unified manner in all matters pertaining to our Company; and (b) certain restrictions on the transfer of the Member's equity shareholding in our Company, which include rights of first offer and tag along rights, which would not apply in case of an offer for sale by any of the Members as part of an IPO (as defined in the Family Governance Agreement) by our Company. The Agreement stipulates certain non-compete restrictions, which provides that except for the ongoing businesses undertaken by the Members and their related entities stated in the Agreement, the Members shall carry on business solely and exclusively through their employment or association with our Company. Further, the Agreement also provides for the non-solicitation of our Company's employees, customers, vendors, clients, associates, suppliers etc., for a period of three years from the date on which a Member ceases to be an employee or shareholder of our Company. Our Company is not a party to the Agreement and is not enforceable against our Company, in accordance with its terms.

2. ***Service Agreement dated August 1, 2016 executed by and among our Company and F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A. ("Service Agreement")***

Our Company and FILA entered into the Service Agreement to define the nature and conditions of the general assistance supplied by FILA through its management departments to our Company and the procedures for breaking down the resulting costs and invoicing of the same. Pursuant to the Service Agreement, FILA undertakes to perform to the benefit of our Company, on the specific demand and request by our Company, the following activities (i) commercial and business strategic support, (ii) human resource management and development, (iii) production support, (iv) logistic support, (v) R&D support, (vi) procurement support and centralized vendors management, (vii) marketing support, (viii) IT support, (ix) cash management support, (x) accounting and fiscal support, and (xi) extraordinary operation: advise and support ("Services"). FILA shall be entitled to a compensation for the performance of the Services in accordance with the terms of the Service Agreement.

3. ***Brand authorisation letters dated (i) March 11, 2021 issued by Fila-Arches, (ii) March 11, 2021 issued by Canson, (iii) March 11, 2021 issued by Dixon Ticonderoga Company, (iv) October 1, 2020 issued by F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A., (v) October 1, 2020 issued by Daler Rowney Limited, (vi) October 1, 2020 issued by Johann Froescheis Lyra-Bleistift Fabrik GmbH & Co. KG, (vii) October 1, 2020 issued by Industria Maimeri S.P.A., (viii) March 11, 2021 issued by Princeton Artist Brush Company, and (ix) March 3, 2021 issued by St. Cuthbert's Mill Ltd (together, "Brand Authorisation Letters")***

The Brand Authorisation Letters have been issued to exclusively authorise our Company to use the trademarks of the relevant entities of the FILA Group as specified in the respective letters, to import, distribute and sell all categories of products manufactured, branded or marketed by such FILA Group entity or its subsidiary companies through any sales channels (including e-commerce sales). The Brand Authorisation Letters are valid until they are terminated in writing by the issuing entity through a 30 days' prior notice.

Other than as disclosed above, there are no other agreements and clauses/ covenants, including any deed of assignment, acquisition agreement, shareholders' agreement, any agreements between our Company, our Promoters, and Shareholders, inter-se agreements, agreements of like nature, to which we are a party, which are material, and which are required to be disclosed. Further, we confirm that there are no other clauses or covenants which are adverse or pre-judicial to the interest of the public shareholders.

Agreements with Key Managerial Personnel, Senior Management Personnel, Directors or Promoters or any other employee

Neither our Promoters nor any of the Key Managerial Personnel, Senior Management 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 dealings in the securities of our Company.

Details of guarantees given to third parties by our Promoters participating in the Offer for Sale

As on the date of this Red Herring Prospectus, FILA and Sanjay Mansukhlal Rajani, our Selling Shareholders, have issued the following guarantee to third parties.

Sr. No.	Name of lender	Name of borrower	Type of borrowing/ facility	Obligations on the Company	Amount guaranteed (in ₹ million)	Amount outstanding as on October 31, 2023	Consideration
1.	BNP Paribas[(1)]	Our Company	Working capital facilities	N.A.	336.00	Nil	NIL
2.	HDFC Bank Limited[(2)]	Micro Wood Private Limited	Working capital facilities comprising of cash credit and term loan	N.A.	50.00	20.75	NIL

[(1)] The working capital facility limited sanctioned to our Company by BNP Paribas has been terminated by BNP Paribas, as requested by our Company on October 16, 2023.

[(2)]Personal guarantee given by Sanjay Mansukhlal Rajani along with certain other individuals in respect of the working capital facilities comprising of cash credit and term loan to Micro Wood Private Limited.

The abovementioned guarantee is typically effective for a period till the underlying loan is repaid by the respective borrower. The financial implications in case of default by the relevant borrower would entitle the lender to invoke the personal guarantee given by Sanjay Mansukhlal Rajani to the extent of outstanding loan amount. For details of security provided by the borrowers, see, "*Financial Indebtedness - Principal terms of the borrowings currently availed by our Company and Subsidiaries*" on page 393.

In addition to the above, FILA has also issued guarantees to the following third parties as on the date of this Red Herring Prospectus:

Reason for guarantee	**Amount**	**Obligations on our Company**	**Period of guarantee**	**Financial implications in case of default**	**Security available**	**Consideration**
Bank guarantee given for the Pero offices lease contract	88,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Guarantee for credit lines granted to the following entities						
Canson Brasil I.P.E. Ltda (Brazil)	44,00,000 Brazilian real	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Dixon Ticonderoga Co. (USA)	40,00,000 USD	N.A.	Effective till December 1, 2023	Invocation of guarantee	N.A.	N.A.
Industria Maimeri S.p.A. (Italy)	20,00,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Fila Stationary O.O.O. (Russia)	15,00,00,000 Russian Ruble	N.A.	Effective till December 5, 2023	Invocation of guarantee	N.A.	N.A.
Johann Froescheis Lyra-Bleitstitift-Fabrik GmbH&Co-KG	80,00,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Dixon Ticonderoga Co. (U.S.A.)	2,86,00,000 USD	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Grupo F.I.L.A.-Dixon, S.A. de C.V. (Mexico)	1,04,00,000 USD	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Fila Dixon Stationery (Kunshan) Co. Ltd. (China)	3,20,00,000 Chinese Yuan	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Fila Dixon Stationery (Kunshan) Co. Ltd. (China)	5,00,000 USD	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Fila Dixon Stationery (Kunshan) Co. Ltd. (China)	20,00,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Xinjiang Fila Dixon Plantation Co. Ltd. (China)	16,00,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Dixon Ticonderoga Co. (U.S.A.)	1,00,00,000 USD	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Canson Sas (France)	38,82,083 Euro	N.A.	Effective till July 23, 2027	Invocation of guarantee	N.A.	N.A.
Cansos Sas (France)	24,06,250 Euro	N.A.	Effective till July 24, 2024	Invocation of guarantee	N.A.	N.A.
Cansos Sas (France)	5,00,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Cansos Sas (France)	20,31,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Cansos Sas (France)	7,29,167 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Industria Maimeri S.p.A. (Italy)	10,00,000 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Industria Maimeri S.p.A. (Italy)	1,01,202 Euro	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Grupo F.I.L.A.-Dixon, S.A. de C.V. (Mexico)	1,00,00,000 USD	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
F.I.L.A.-Dixon, S.A. de	16,00,00,00	N.A.	Effective till	Invocation of	N.A.	N.A.

Reason for guarantee	Amount	Obligations on our Company	Period of guarantee	Financial implications in case of default	Security available	Consideration
C.V. (Mexico)	0 Mexican Peso		revocation	guarantee		
F.I.L.A.-Dixon, S.A. de C.V. (Mexico)	10,00,00,000 Mexican Peso	N.A.	Subject to annual review	Invocation of guarantee	N.A.	N.A.
Grupo F.I.L.A.-Dixon, S.A. de C.V. (Mexico)	25,00,00,000 Mexican Peso	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
F.I.L.A.-Dixon, S.A. de C.V. (Mexico)	36,00,00,000 Mexican Peso	N.A.	Effective till revocation	Invocation of guarantee	N.A.	N.A.
Lyra KG	15,00,000 USD	N.A.	Effective till December 31, 2023	Invocation of guarantee	N.A.	N.A.

OUR SUBSIDIARIES AND OUR ASSOCIATE

Subsidiaries of our Company

As on the date of this Red Herring Prospectus, our Company has two Subsidiaries, the details of which are below.

1. Pioneer Stationery Private Limited

Corporate information

Pioneer Stationery Private Limited was incorporated as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 28, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN is U22200GJ2005PTC094932, and its registered office is situated at Shed No. A & B, New Survey No. 2784 & 2785, Near G.I.D.C., Umbergaon, Valsad– 396 171, Gujarat, India.

Nature of business

Pioneer Stationery Private Limited is engaged in the business of manufacturing, importing, exporting, trading, buying, selling, paper and related products, stationery, and related products.

Capital structure

Particulars	No. of equity shares of face value of ₹10 each
Authorised equity share capital of ₹1,000,000	100,000
Issued, subscribed and paid-up equity share capital of ₹600,000	60,000

Shareholding pattern

The shareholding pattern of Pioneer Stationery Private Limited as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of face value ₹10 each	Percentage of total equity share capital (%)
1.	DOMS Industries Limited	30,600	51.00
2.	Kanti Bhavanji Gala	10,500	17.50
3.	Rajendra Bhavanji Gala	8,100	13.50
4.	Om Santosh Raveshia	6,600	11.00
5.	Chandni Vijay Somaiya	1,800	3.00
6.	Bhavna Rajendra Gala	1,200	2.00
7.	Pooja Rajendra Gala	1,200	2.00
Total		**60,000**	**100.00**

Brief financial highlights

The brief financial highlights for the Fiscals 2021, 2022, and 2023 and the six months period ended September 30, 2023 of Pioneer Stationery Private Limited are as follows:

(in ₹ million, except EPS)

Particulars	As of and for the Fiscal ended			As of and for the six months period ended September 30, 2023**
	March 31, 2021*	March 31, 2022**	March 31, 2023**	
Reserves (excluding revaluation reserves)	156.71	215.48	363.90	427.83
Sales/ Revenue from Operations	458.11	730.12	1,395.66	846.91
Profit after tax	69.18	62.07	148.01	64.28
Earnings per equity share (EPS)	1,152.99	1,034.49	2,466.85	1,071.34
Diluted EPS	1,152.99	1,034.49	2,466.85	1,071.34
Net asset value	157.31	216.08	364.50	428.43

* *Numbers reported for the Financial Year ended March 31, 2021 are extracted from the audited financial statements for the Financial*

Year ended March 31, 2021 which were prepared under erstwhile accounting standards (IGAAP) as Pioneer Stationery Private Limited adopted Indian Accounting Standards in the Financial Year ended March 31, 2022.
*** Numbers reported for the six months period ended September 30, 2023, Financial Year ended March 31, 2023 and Financial Year ended March 31, 2022 are extracted from the audited financial statements for the six months period ended September 30, 2023, audited financial statements for the Financial Year ended March 31, 2023 and audited financial statements for the Financial Year ended March 31, 2022 which are prepared under the Indian Accounting Standards.*

2. Micro Wood Private Limited

Corporate information

Micro Wood Private Limited was incorporated as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 14, 1991, issued by the Registrar of Companies, Gujarat, at Ahmedabad. Its CIN is U20291GJ1991PTC016414, and its registered office is situated at Plot No. 48-49/1, G I D C, Umbergaon, Valsad– 396 171, Gujarat, India.

Pursuant to the shareholders agreement dated July 28, 2023, our Company purchased 720,000 equity shares comprising 75.00% of the share capital of Micro Wood Private Limited. Pursuant to the transfer of such equity shares, Micro Wood Private Limited became our subsidiary with effect from August 1, 2023.

Nature of business

Micro Wood Private Limited is engaged in the business of manufacturing, processing, designing and otherwise dealing in all kinds of packing cases, cartons, drums, crates, cans and containers of tin, aluminium, other metal products and other materials like wood, plastic, polythene, glass, leather or any other manmade fibres.

Capital structure

Particulars	No. of equity shares of face value of ₹100 each
Authorised equity share capital of ₹100,000,000	1,000,000
Issued, subscribed and paid-up equity share capital of ₹96,000,000	960,000

Shareholding pattern

The shareholding pattern of Micro Wood Private Limited as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of face value ₹100 each	Percentage of total equity share capital (%)
1.	DOMS Industries Limited	719,998	75.00
2.	Santosh Rasiklal Raveshia (nominee of DOMS Industries Limited)	1	Negligible
3.	Sanjay Mansukhlal Rajani (nominee of DOMS Industries Limited)	1	Negligible
4.	Akshay Koradia	89,000	9.27
5.	Bharti Koradia	51,000	5.31
6.	Parag Koradia	50,000	5.21
7.	Ankan Koradia	50,000	5.21
Total		**960,000**	**100.00**

Brief financial highlights

The brief financial highlights for the Fiscals 2021, 2022, and 2023 and the six months period ended September 30, 2023 of Micro Wood Private Limited are as follows:

(in ₹ million, except EPS)

Particulars	As of and for the Fiscal ended			As of and for the six months period ended September 30, 2023**
	March 31, 2021*	March 31, 2022*	March 31, 2023**	
Reserves (excluding revaluation reserves)	(9.38)	(7.38)	24.15	45.19
Sales/ Revenue from Operations	96.75	284.85	558.58	384.10
Profit after tax	(3.28)	2.00	32.40	21.04
Earnings per equity share (EPS)	(7.30)	2.22	33.75	21.91
Diluted EPS	(7.30)	2.22	33.75	21.91
Net asset value	35.62	88.62	120.15	141.19

** Numbers reported for the Financial Year ended March 31, 2022 and Financial Year ended March 31, 2021 are extracted from the audited financial statements for the Financial Year ended March 31, 2022 and audited financial statements for the Financial Year ended March 31, 2021 which were prepared under erstwhile accounting standards (IGAAP) as Micro Wood Private Limited adopted Indian Accounting Standards in the Financial Year ended March 31, 2023*

*** Numbers reported for the six months period ended September 30, 2023 and Financial Year ended March 31, 2023 are extracted from the audited financial statements for the six months period ended September 30, 2023 and the audited financial statements for the Financial Year ended March 31, 2023 which are prepared under the Indian Accounting Standards.*

Associate of our Company

As on the date of this Red Herring Prospectus, our Company has one Associate, the details of which are below.

1. Clapjoy Innovations Private Limited

Corporate information

Clapjoy Innovations Private Limited was incorporated as a limited liability partnership under the name of "Clapjoy Innovations LLP" under the Limited Liability Partnership Act, 2008, pursuant to a certificate of incorporation dated January 13, 2021, issued by the registrar of companies. It was converted into a private limited company, "Clapjoy Innovations Private Limited" and a fresh certificate of incorporation was issued on October 20, 2022 by the registrar of companies. Its CIN is U51909HR2022PTC107323, and its registered office is situated at 635/14, Faridabad, Haryana – 121 007, India.

Nature of business

Clapjoy Innovations Private Limited is engaged in the business of all kind of toys import, export, retail, wholesale trading, etc.

Capital structure

Particulars	No. of equity shares of face value of ₹10 each
Authorised equity share capital of ₹2,000,000	200,000
Issued, subscribed and paid-up equity share capital of ₹1,714,040	171,404

Shareholding pattern

The shareholding pattern of Clapjoy Innovations Private Limited as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of face value ₹10 each	Percentage of total equity share capital (%)
1.	Neha Aggarwal	81,427	47.51
2.	DOMS Industries Limited	51,414	30.00
3.	Pooja Arya	32,282	18.83

Sr. No.	Name of the shareholder	No. of equity shares of face value ₹10 each	Percentage of total equity share capital (%)
4.	Aamir Khan	3,273	1.91
5.	Nitin Jindal	2,322	1.35
6.	Sudeep Mangla	686	0.40
Total		**171,404**	**100.00**

Brief financial highlights

The brief financial highlights for the Fiscals 2021, 2022, and 2023 and the six months period ended September 30, 2023 of Clapjoy Innovations Private Limited are as follows:

(in ₹ million, except EPS)

Particulars	As of and for the Fiscal ended			As of and for the six months period ended September 30, 2023^
	March 31, 2021*	March 31, 2022*	March 31, 2023^	
Reserves (excluding revaluation reserves)	NA	NA	8.81	13.12
Sales/ Revenue from Operations	NA	NA	15.90	13.93
Profit after tax	NA	NA	(0.02)	(2.93)
Earnings per equity share (EPS)	NA	NA	(0.00)	(17.12)
Diluted EPS	NA	NA	(0.00)	(17.12)
Net asset value	NA	NA	10.26	14.84

** Clapjoy Innovations Private Limited was incorporated on October 20, 2022, hence numbers for Financial Year ended March 31, 2022 and Financial Year ended March 31, 2021 are not available.*

^ Numbers reported for the six months period ended September 30, 2023 and Financial Year ended March 31, 2023 are extracted from the audited financial statements for six months period ended September 30, 2023 and the Financial Year ended March 31, 2023 which are prepared under the Indian Accounting Standards.

Accumulated profits or losses

As on the date of this Red Herring Prospectus, there are no accumulated profits or losses of our Subsidiaries and Associate, which are not accounted for by our Company.

Common pursuits

Our Subsidiaries are engaged in the same line of business as that of our Company and accordingly, there are certain common pursuits between our Subsidiaries and our Company. However, there is no conflict of interest amongst our Subsidiaries and our Company. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations as and when they arise. There are no common pursuits between our Associate and our Company.

For details of related business transactions between our Company, our Subsidiaries and our Associate, see the section titled "*Related Party Transactions*" on page 354.

Business interest between our Company and our Subsidiaries and our Associate

Except as stated in "*Our Business*" and "*Restated Consolidated Financial Information*" on pages 201 and 283, respectively, none of our Subsidiaries and our Associate have any business interest in our Company.

Other confirmations

None of our Subsidiaries or our Associate are listed on any stock exchange in India or abroad. Further, none of our Subsidiaries or our Associate have been refused listing in the last ten years by any stock exchange in India or abroad, nor have any of our Subsidiaries or our Associate failed to meet the listing requirements of any stock exchange in India or abroad.

OUR MANAGEMENT

Board of Directors

The Articles of Association require that our Board shall comprise of not more than 15 Directors.

As on the date of this Red Herring Prospectus, we have 12 Directors on our Board, of whom four are Independent Directors, including one woman Independent Director. Our Company is in compliance with the corporate governance requirements prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as on the date of this Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Gianmatteo Terruzzi* *Designation*: Chairman and Independent Director *Date of birth*: February 22, 1972 *Address*: Via Francesco Borella 5b, Mendrisio – 6850, Switzerland *Occupation*: Business *Current term*: For a period of five years. Not liable to retire by rotation *Period of directorship*: Since July 14, 2023 *DIN*: 10229991	51	*Indian companies:* Nil *Foreign companies:* • Amici della Valle dei Libri ApS; • Apparvest Olbia S.r.l.; • Epilate Suisse Sagl; • Ermes SA; • Imm.re Libeccio SA; • Inti Food S.r.l.; • Jigar V&M Sagl; • LVT Advisors SA; • Paharpur Europe SA; • Quenitos SA; and • Squale SA.
Santosh Rasiklal Raveshia *Designation*: Managing Director *Date of birth*: April 1, 1976 *Address*: Plot no. 114, GIDC colony, Umargram, Umbergaon, I.e., Valsad– 396 171, Gujarat, India *Occupation*: Business *Current term*: For a period of five years, with effect from January 1, 2022. Liable to retire by rotation *Period of directorship*: Since October 24, 2006 *DIN*: 00147624	47	*Indian companies:* • Micro Wood Private Limited *Foreign companies:* Nil
Sanjay Mansukhlal Rajani *Designation*: Whole Time Director *Date of birth*: November 28, 1968 *Address*: Plot no – 113, GIDC colony, Umbergaon, Valsad – 396 171, Gujarat, India *Occupation*: Business *Current term*: For a period of five years, with effect from January 1, 2022. Liable to retire by rotation *Period of directorship*: Since August 27, 2011	55	*Indian companies:* • Fixy Adhesives Private Limited; • Inxon Pens & Stationery Private Limited; and • Pioneer Stationery Private Limited *Foreign companies:* Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
DIN: 03329095		
Ketan Mansukhlal Rajani *Designation*: Whole Time Director *Date of birth*: January 9, 1971 *Address*: 1 Floor, Prabhuniwas, Chitranjan Road, Vile Parle East, Mumbai – 400 057, Maharashtra, India *Occupation*: Business *Current term*: For a period of five years, with effect from July 6, 2023. Liable to retire by rotation *Period of directorship*: Since April 17, 2011 *DIN*: 02490829	52	*Indian companies:* Nil *Foreign companies:* Nil
Chandni Vijay Somaiya *Designation*: Whole Time Director *Date of birth*: April 30, 1973 *Address*: B/3/23, GIDC colony, Umargam, Umbergaon, I.e., Valsad– 396 171, Gujarat, India *Occupation*: Business *Current term*: For a period of five years, with effect from July 6, 2023. Liable to retire by rotation *Period of directorship*: Since February 15, 2008 *DIN*: 02003554	50	*Indian companies:* • Fixy Adhesives Private Limited; • Inxon Pens & Stationery Private Limited; and • Kika V-Comm Private Limited *Foreign companies:* Nil
Massimo Candela *Designation*: Non-Executive Director *Date of birth*: June 2, 1965 *Address*: 1 Via Leone XIII, Milan – 20145, Italy *Occupation*: Private employment *Current term*: Liable to retire by rotation *Period of directorship*: Since February 17, 2012 *DIN*: 05189114	58	*Indian companies:* Nil *Foreign companies:* • Beijing F.I.L.A-Dixon Stationery Co., Ltd.; • Brideshore SRL; • Canson Australia PTY LTD; • Canson SAS; • Daler-Rowney Ltd; • Dixon Canadian Holding Inc; • Dixon Ticonderoga ART ULC; • Dixon Ticonderoga Company; • F.I.L.A. Benelux SA; • F.I.L.A. Chile Ltda; • F.I.L.A. Iberia SL.; • F.I.L.A. – Fabbrica Italiana Lapis ed Affini. S.p.A.; • Fila Arches SAS; • Fila Art & Craft Ltd; • Fila Art Products AG; • Fila Canson Do Brasil Produtos de Artes e Escolar Ltda; • Fila Dixon Stationery (Kunshan) Co., Ltd.; • Fila Hellas Single Member S.A.; • Fila Nordic AB;

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
		• Fila SA PTY LTD; • Fila Specialty Papers, LLC; • Fila Stationary and Office Equipment Industry Ltd. Co.; • Fila Stationary O.O.O.; • Grupo F.I.L.A.- Dixon, S.A. de C.V.; • Johann Froescheis Lyra Bleistift-Fabrik GmbH & Co. KG; • Lyra Bleistift-Fabrik Verwaltungs GmBH; • Princeton HK Co., Limited • PT. Lyra Akrelux; • St. Cuthbert Holding Limited; and • Xinjiang F.I.L.A.-Dixon Plantation Co., Ltd.
Luca Pelosin *Designation*: Non-Executive Director *Date of birth*: January 31, 1966 *Address*: 105 Via Monte Grappa, Cinisello Balsamo – 20092, Italy *Occupation*: Private employment *Current term*: Liable to retire by rotation *Period of directorship*: Since February 17, 2012 *DIN*: 05189104	57	*Indian companies:* • Pioneer Stationery Private Limited *Foreign companies:* • Beijing F.I.L.A-Dixon Stationery Co. Ltd.; • Brideshore SRL; • Canson Art & Craft Yixing Co., Ltd.; • Canson Australia PTY LTD; • Canson SAS; • Dixon Ticonderoga ART ULC; • Dixon Ticonderoga Company; • F.I.L.A. – Fabbrica Italiana Lapis ed Affini. S.p.A.; • F.I.L.A. Chile Ltda; • Fila Arches SAS; • Fila Canson Do Brasil Produtos de Artes e Escolar Ltda; • Fila Dixon Stationery (Kunshan) Co., Ltd.; • Grupo F.I.L.A.- Dixon, S.A. de C.V.; • Industria Maimeri S.p.A.; • Johann Froescheis Lyra Bleistift-Fabrik GmbH & Co. KG; • Lyra Bleistift-Fabrik Verwaltungs GmbH; • Princeton HK Co., Limited; • St. Cuthberts Mill Limited Papers; and • Xinjiang F.I.L.A.- Dixon Plantation Co. Ltd.
Annalisa Matilde Elena Barbera *Designation*: Non-Executive Director *Date of birth*: August 28, 1969 *Address*: 1 Via Leone XIII, Milan – 20145, Naples, Italy *Occupation*: Lawyer *Current term*: Liable to retire by rotation *Period of directorship*: Since May 17, 2016 *DIN*: 07504740	54	*Indian companies:* Nil *Foreign companies:* • F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A.; and • Pencil S.r.l.

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Cristian Nicoletti *Designation*: Non-Executive Director *Date of birth*: February 11, 1975 *Address*: Via Mazzini Giuseppe, No. 31, Letter – H Staircase – B, Cornaredo, Milan – 20010, Italy *Occupation*: Private employment *Current term*: Liable to retire by rotation *Period of directorship*: Since April 17, 2023 *DIN*: 10042858	48	*Indian companies:* Nil *Foreign companies:* • Daler-Rowney Ltd; • Dixon Canadian Holding Inc; • Dixon Ticonderoga Company; • Fila Art Products AG; • Fila Speciality Papers, LLC; • Grupo F.I.L.A – Dixon, S.A. de C.V.; • Industria Maimeri S.p.A.; • Lodi 12 SAS; • Princeton HK Co., Limited; • Reinor Bidco Ltd; • Reinor Midco Ltd; and • Reinor Topco Ltd
Rajiv Ishwarbhai Mistry *Designation*: Independent Director *Date of birth*: January 13, 1969 *Address*: 5 C-1304/5 Spring Leaf Tower, Akurli Road, Lokhandwala Township, Kandivali East, Mumbai – 400 101, Maharashtra, India *Occupation*: Business *Current term*: For a period of five years. Not liable to retire by rotation *Period of directorship*: Since July 14, 2023 *DIN*: 01382798	54	*Indian companies:* • Ascent Meditech Limited; • Ascent Sigmax Sportsmeds Private Limited; and • Badshah Masala Private Limited *Foreign companies:* Nil
Mehul Shah *Designation*: Independent Director *Date of birth*: October 9, 1976 *Address*: Aspen-2401, Mahindra Eminente, S V Road, Behind Patkar College, Goregaon West, Mumbai– 400 104, Maharashtra, India *Occupation*: Business *Current term*: For a period of five years. Not liable to retire by rotation *Period of directorship*: Since July 14, 2023 *DIN*: 02127656	47	*Indian companies:* Nil *Foreign companies:* Nil
Darshika Thacker *Designation*: Independent Director *Date of birth*: December 12, 1974 *Address*: Sindhu Building, Flat – 10, A Wing, 205 Sion Main Road, Sion, Mumbai - 400 022, Maharashtra, India *Occupation*: Business	48	*Indian companies:* • Pioneer Stationery Private Limited; and • Uttkarsh Consulting Private Limited *Foreign companies:* Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Current term: For a period of five years. Not liable to retire by rotation *Period of directorship*: Since July 14, 2023 *DIN*: 03532365		

* *Gianmatteo Terruzzi is not associated with FILA, our Corporate Promoter, in any capacity.*

Brief profiles of our Directors

Gianmatteo Terruzzi, aged 51 years, is the Chairman and Independent Director of our Company. He holds a degree in Economics and Business from the Universita Cattolica Del Sacro Cuore, Milan and is registered as a fiduciary in the Register of Fiduciaries, Republic and Canton of Ticino. He was previously associated with LVT Advisors S.R.L. as its sole director, Egida SRL as a director, I.R.E. 2 S.R.L. as its sole director and Lusben Varazze S.R.L. as chief executive officer.

Santosh Rasiklal Raveshia, aged 47 years, is the Managing Director and one of the Individual Promoters of our Company. He has been associated with our Company since its incorporation as a Director and Promoter. He passed the secondary school certificate examination held by the Maharashtra State Board of Secondary and Higher Secondary Education. He joined R.R. Industries in 2000 and has been its partner since 2002. Further, he has been the partner of S-Tech Industries since 2006. He is primarily involved in all aspects of the business of our Company, including new product development, crafting, and executing go-to market strategies.

Sanjay Mansukhlal Rajani, aged 54 years, is the Whole Time Director and one of the Individual Promoters of our Company. He was sent up for the S.S.C. Exam from Shrimati Gokalibai P. P. High School. He joined R. R. Industries in 1985 and has been its partner since 2011. He is primarily involved in the production and product development of scholastic art and fine art materials in our Company.

Ketan Mansukhlal Rajani, aged 52 years, is the Whole Time Director and one of the Individual Promoters of our Company. He passed the secondary school certificate examination held by the Maharashtra State Board of Secondary and Higher Secondary Education. He joined R. R. Industries in 2003 and has been its partner since 2011. He is also responsible for overlooking the manufacturing operations of our Jammu manufacturing facility as well as the wood seasoning and treatment operations of our Company.

Chandni Vijay Somaiya, aged 50 years, is the Whole Time Director and one of the Individual Promoters of our Company. She passed the secondary school certificate examination held by the Maharashtra State Board of Secondary and Higher Secondary Education. She joined S-Tech Industries as a partner in 2004. She is primarily involved in the manufacturing operations of the scholastic stationery division and general administrative operations at the Umbergaon Manufacturing Facilities.

Massimo Candela, aged 58 years, is the Non-Executive Director of our Company. He holds a degree in Business Administration with major in corporate finance from Bocconi University, Milan. He has been associated with FILA since 1992 as chief executive officer.

Luca Pelosin, aged 57 years, is the Non-Executive Director of our Company. He graduated from Collegio Arcivescovile Castelli Saronno. He was previously associated with Nuova Alpa Collanti S.r.l. as special attorney. He has significant years of experience in accounting, production, purchasing, logistics and business management.

Annalisa Matilde Elena Barbera, aged 54 years, is the Non-Executive Director of our Company. She holds a degree in law from Universita Degli Studi Di Milano and is enrolled in the register of lawyers of Milan. She was previously associated with Trifirò and Partners as an associate. She is currently associated with Studio Legale Salonia e Associati as a partner. She has significant years of experience in the areas of labour and commercial law as well as employment law and employment related litigation.

Cristian Nicoletti, aged 48 years, is the Non-Executive Director of our Company. He holds a degree in Economics and Business (New System) from the Università Cattolica Del Sacro Cuore, Milan. He was previously associated with Akzo Nobel Coatings S.p.A. as a manager of its Fombio (Lo) plant. He is currently associated with FILA as its chief financial officer.

Rajiv Ishwarbhai Mistry, aged 54 years, is the Independent Director of our Company. He has been awarded a diploma in electronics and telecommunication engineering by the Board of Technical Examinations, Maharashtra and holds an honorary doctorate in health care industry from Keisie International University. He is the founder and chairman of Ascent Meditech Limited.

Mehul Shah, aged 47 years, is the Independent Director of our Company. He holds a bachelor's degree in social, legal sciences from University of Pune and a bachelor's degree in law from University of Pune. He has been enrolled as an advocate with the Bar Council of Maharashtra and Goa since 1999. He has been associated with Khaitan & Co as a partner in the corporate and commercial practice group. He specialises in mergers and acquisitions, solvent and insolvent restructurings including court approved mergers and amalgamations, insolvency restructuring, private equity, joint ventures, and collaborations.

Darshika Thacker, aged 48 years, is the Independent Director of our Company. She holds a bachelor's degree in commerce from University of Calcutta and is a fellow member of the Institute of Chartered Accountants in India. She was previously associated as the proprietor of Darshika Thacker & Associates. She is currently associated with Thacker & Associates as a partner.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

Arrangement or understanding with major Shareholders, customers, suppliers, or others

Except for Massimo Candela, Luca Pelosin, Annalisa Matilde Elena Barbera and Cristian Nicoletti, who were appointed as nominees of FILA* and Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani and Chandni Vijay Somaiya, who were appointed as nominees of the Indian Shareholders pursuant to the Shareholders' Agreement dated December 16, 2011, none of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For further details, see "*History and Certain Corporate Matters – Shareholders' agreements - Shareholders' Agreement dated December 16, 2011 executed by and among the Parties, Amended and Restated Shareholders' Agreement dated October 26, 2015 executed by and among the Parties, and the Waiver cum Amendment Agreement dated August 17, 2023, to the SHA entered into by and among the Parties" on page 240*.

**Massimo Candela, Luca Pelosin, and Annalisa Barbera are on the board of directors of FILA and certain FILA controlled Promoter Group entities and Cristain Nicoletti is the chief financial officer of FILA and is on the board of directors of certain FILA controlled Promoter Group entities.*

Service contracts with Directors

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

Terms of appointment of our Executive Directors

Santosh Rasiklal Raveshia, Managing Director

Santosh Rasiklal Raveshia is the Managing Director and one of the Individual Promoters of our Company. He was re-appointed as the Managing Director of our Company pursuant to the resolution passed by our Board on November 30, 2021, for a period of five years with effect from January 1, 2022, liable to retire by rotation.

As per the Board resolution dated November 30, 2021, he is entitled to receive a fixed salary of ₹10.56 million per annum. He is also entitled to receive reimbursements, perquisites and bonus. As per the resolution passed by our Board on December 12, 2022, his fixed salary was revised from ₹10.56 million to ₹15.00 million effective April 1, 2022, to be paid in arrears.

Sr. No.	Category	Remuneration (in ₹ million)
1.	Annual remuneration (basic pay)	15.00
2.	Reimbursements and perquisites	As agreed and modified from time to time
3.	Bonus	As agreed and modified from time to time

Sanjay Mansukhlal Rajani, Whole Time Director

Sanjay Mansukhlal Rajani is the Whole Time Director and one of the Individual Promoters of our Company and has been associated with our Company since August 27, 2011. He was re-appointed as the Whole Time Director of our Company pursuant to the resolution passed by our Board on November 30, 2021, for a period of five years with effect from January 1, 2022, liable to retire by rotation.

As per the Board resolution dated November 30, 2021, he is entitled to receive a fixed salary of ₹7.55 million per annum. He is also entitled to receive reimbursements, perquisites and bonus. As per the resolution passed by our Board on December 12, 2022, his fixed salary was revised from ₹7.55 million to ₹10.20 million effective April 1, 2022, to be paid in arrears.

Sr. No.	Category	Remuneration (in ₹ million)
1.	Annual remuneration (basic pay)	10.20
2.	Reimbursements and perquisites	As agreed and modified from time to time
3.	Bonus	As agreed and modified from time to time

Ketan Mansukhlal Rajani, Whole Time Director

Ketan Mansukhlal Rajani is the Whole Time Director and one of the Individual Promoters of our Company of our Company. He was appointed as the Whole Time Director of our Company pursuant to the resolution passed by our Board on July 6, 2023, for a period of five years with effect from July 6, 2023, liable to retire by rotation.

As per the Board resolution dated July 6, 2023 he is entitled to receive a fixed salary of ₹10.20 million per annum. He is also entitled to receive reimbursements, perquisites and bonus.

Sr. No.	Category	Remuneration (in ₹ million)
1.	Annual remuneration (basic pay)	10.20
2.	Reimbursements and perquisites	As agreed and modified from time to time
3.	Bonus	As agreed and modified from time to time

Chandni Vijay Somaiya, Whole Time Director

Chandni Vijay Somaiya is the Whole Time Director and one of the Individual Promoters of our Company of our Company. She was appointed as the Whole Time Director of our Company pursuant to the resolution passed by our Board on July 6, 2023, for a period of five years with effect from July 6, 2023, liable to retire by rotation.

As per the Board resolution dated July 6, 2023 she is entitled to receive a fixed salary of ₹10.20 million per annum. She is also entitled to receive reimbursements, perquisites and bonus.

Sr. No.	Category	Remuneration (in ₹ million)
1.	Annual remuneration (basic pay)	10.20

Sr. No.	Category	Remuneration (in ₹ million)
2.	Reimbursements and perquisites	As agreed and modified from time to time
3.	Bonus	As agreed and modified from time to time

Terms of appointment of our non-executive directors (including Independent Directors)

Pursuant to the resolution passed by our Board on July 14, 2023, Gianmatteo Terruzzi, the Chairman and Independent Director of our Company is entitled to receive a sitting fee of ₹0.10 million for attending each meeting of our Board and ₹0.05 million for attending each meeting of the committees of our Board, and Rajiv Ishwarbhai Mistry, Mehul Shah and Darshika Thacker, the Independent Directors of our Company, are each entitled to receive a sitting fee of ₹0.08 million for attending each meeting of our Board and ₹0.04 million for attending each meeting of the committees of our Board. Our Non-Executive Directors (excluding Independent Directors) do not draw any remuneration from our Company.

Payment or benefits to Directors

Our Company has not entered into any contract appointing or fixing the remuneration of any Director in the two years preceding the date of this Red Herring Prospectus.

The details of the remuneration paid by our Company to our Executive Directors in Fiscal 2023 is set out below:

(in ₹ million)

Name of Director	Designation	Remuneration
Santosh Rasiklal Raveshia	Managing Director	15.44
Sanjay Mansukhlal Rajani	Whole Time Director	10.51
Chandni Vijay Somaiya	Whole Time Director	10.51
Ketan Mansukhlal Rajani	Whole Time Director	10.51

Our Company and its Subsidiaries have not paid any contingent or deferred compensation accrued for Fiscal 2023.

In Fiscal 2023, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration as disclosed above in "– *Terms of appointment of our Executive Directors*" and sitting fees paid to them for such period. The remuneration that was paid to our Non- Executive Directors in Fiscal 2023 is as follows:

Non- Executive Directors

The details of the remuneration paid to our Non-Executive Directors in Fiscal 2023 is set out below:

(in ₹ million)

Name of Director	Remuneration
Massimo Candela	Nil
Luca Pelosin	Nil
Annalisa Matilde Elena Barbera	Nil
Cristian Nicoletti	Nil*

** Cristian Nicoletti was appointed on April 17, 2023.*

Independent Directors

The details of sitting fees paid to our Independent Directors during Fiscal 2023 is set out below:

(in ₹ million)

Name of Director	Sitting fees
Rajiv Ishwarbhai Mistry	Nil*
Mehul Shah	Nil*
Darshika Thacker	Nil*
Gianmatteo Terruzzi	Nil*

**Rajiv Ishwarbhai Mistry, Mehul Shah, Darshika Thacker and Gianmatteo Terruzzi were appointed on July 14, 2023.*

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares as on date of this Red Herring Prospectus.

Name of Director	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital (%)
Santosh Rasiklal Raveshia	9,562,679	17.00
Sanjay Mansukhlal Rajani	4,854,952	8.63
Ketan Mansukhlal Rajani	4,854,952	8.63
Chandni Vijay Somaiya	2,249,900	4.00

For further details, see the section titled "*Capital Structure*" on page 87.

Bonus or profit-sharing plan for our Directors

As on date of this Red Herring Prospectus, our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Interest of Directors

All our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees thereof, as well as to the extent of the reimbursement of expenses incurred in connection with attending the meetings, as approved by our Board.

Our Executive Directors may be deemed to be interested to the extent of the remuneration, reimbursements, perquisites, and bonus payable to each of them by our Company. Further, our Executive Directors may be deemed to be interested to the extent of certain loans provided by them to our Company. For further details, see section titled "*Financial Indebtedness*" on page 392.

Our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company/entity which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

Our Directors may be interested to the extent of Equity Shares, if any, held by them and their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members or trustees, 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 Offer and any dividend and other distributions payable in respect of such Equity Shares. For details, see – "*Shareholding of Directors in our Company*" on page 257.

Except for Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani and Chandni Vijay Somaiya, who are the Individual Promoters of our Company, and Santosh Rasiklal Raveshia, who is among the initial subscribers to the MoA of our Company, none of our other Directors have any interest in the promotion or formation of our Company. Also see, "*Capital Structure – Equity share capital history of our Company*" on page 88.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Additionally, our Directors may be interested to the extent of any employee stock options that may be granted to them under the ESOP Scheme.

As on the date of this Red Herring Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

No loans have been availed by our Directors from our Company.

Our Directors are not interested in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

Contingent and deferred compensation payable to Directors

As on the date of this Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Remuneration paid or payable from our Subsidiaries

None of our Directors has been paid any remuneration from our Subsidiaries, including any contingent or deferred compensation accrued for Fiscal 2023.

Borrowing Powers

Pursuant to our Articles of Association and subject to applicable provisions of the Companies Act, 2013, our Board is authorized to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) shall not exceed the aggregate of the then paid-up share capital of our Company, its free reserves and securities premium.

Changes to our Board in the last three years

The changes to our Board during the three years immediately preceding the date of this Red Herring Prospectus are set forth below.

Name	Date of appointment/cessation	Reason
Stefano De Rosa	January 27, 2023	Resignation
Cristian Nicoletti	April 17, 2023	Appointment
Rajiv Ishwarbhai Mistry	July 14, 2023	Appointment
Mehul Shah	July 14, 2023	Appointment
Darshika Thacker	July 14, 2023	Appointment
Gianmatteo Terruzzi	July 14, 2023	Appointment

Note: The table above excludes changes in designation.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company will be compliance with the requirements of the applicable regulations in respect of corporate governance, including Regulations 17 to 27 of the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the composition of the Board and constitution of the committees, at the time of listing and post listing, to the extent applicable.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee; and
5. Risk Management Committee.

1. *Audit Committee*

The Audit Committee was constituted by a resolution of our Board dated July 14, 2023. The current constitution of the Audit Committee is as follows:

Name of Director	Position in the committee	Designation
Darshika Thacker	Chairperson	Independent Director
Gianmatteo Terruzzi	Member	Chairman and Independent Director
Santosh Rasiklal Raveshia	Member	Managing Director
Massimo Candela	Member	Non-Executive Director
Rajiv Ishwarbhai Mistry	Member	Independent Director
Mehul Shah	Member	Independent Director

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from such employees;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required;

(e) To approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company; and

(f) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;

(b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Monitoring the end use of funds raised through public offers and reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions and the definition of material modifications of related party transactions;

(i) Approval of any subsequent modifications of transactions of the Company with related parties and omnibus approval (in the manner specified under the SEBI Listing Regulations and Companies Act) for related party transactions proposed to be entered into by the Company. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.

(j) Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company, subject to such other conditions prescribed under the SEBI Listing Regulations;

(k) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(l) Scrutiny of inter-corporate loans and investments;

(m) Valuation of undertakings or assets of the company, wherever it is necessary;

(n) Evaluation of internal financial controls and risk management systems;

(o) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(p) 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;

(q) Discussion with internal auditors of any significant findings and follow up there on;

(r) 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;

(s) 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;

(t) Looking 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;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company ("**CFO**") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(w) To formulate, review and make recommendations to the Board to amend the Audit Committee's terms of reference from time to time;

(x) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances;

(y) Reviewing the utilization of loans and/or advances from/investment by the 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;

(z) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(aa) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and

(bb) Carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(e) Statement of deviations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

(iv) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company; and

(v) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

2. Nomination and Remuneration Committee ("NRC")

The NRC was constituted by a resolution of our Board dated July 14, 2023. The current constitution of the NRC is as follows:

Name of Director	Position in the committee	Designation
Rajiv Ishwarbhai Mistry	Chairperson	Independent Director
Luca Pelosin	Member	Non-Executive Director
Mehul Shah	Member	Independent Director

The scope and function of the NRC is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(a) use the services of an external agencies, if required;
(b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
(c) consider the time commitments of the candidates.

(ii) Formulation of criteria for evaluation of performance of independent directors and the Board;

(iii) Devising a policy on Board diversity;

(iv) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

(v) Analysing, monitoring and reviewing various human resource and compensation matters;

(vi) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(vii) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(viii) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(ix) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(x) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(xi) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws:

(a) Determining the eligibility of employees to participate under the ESOP Scheme;

(b) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(c) Date of grant;

(d) Determining the exercise price of the option under the ESOP Scheme;

(e) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(f) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(g) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(h) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(i) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(j) The grant, vest and exercise of option in case of employees who are on long leave;

(k) Allow exercise of unvested options on such terms and conditions as it may deem fit;

(l) Formulate the procedure for funding the exercise of options;

(m) The procedure for cashless exercise of options;

(n) Forfeiture/ cancellation of options granted;

(o) Formulate the procedure for buy-back of specified securities issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- permissible sources of financing for buy-back;
- any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- limits upon quantum of specified securities that the Company may buy-back in a financial year.

(p) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(xii) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(xiii) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended;

(c) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

by the Company and its employees, as applicable.

(xiv) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and

(xv) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

3. Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee was constituted by a resolution of our Board dated June 27, 2014 and re-constituted by a resolution of our Board dated October 31, 2015. The CSR Committee was further re-constituted on July 14, 2023. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the committee	Designation
Sanjay Mansukhlal Rajani	Chairperson	Whole Time Director
Darshika Thacker	Member	Independent Director
Annalisa Matilde Elena Barbera	Member	Non-Executive Director

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, shall be restated as under:

(i) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder, monitor the implementation of the same from time to time and make any revisions therein as and when decided by the Board;

(ii) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(iii) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(iv) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:

(a) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;

(b) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies

(Corporate Social Responsibility Policy) Rules, 2014;

(c) the modalities of utilization of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

(v) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(vi) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(vii) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable law.

4. Stakeholders Relationship Committee ("SRC")

The SRC was constituted by a resolution of our Board dated July 14, 2023. The current constitution of the SRC is as follows:

Name of Director	Position in the committee	Designation
Mehul Shah	Chairperson	Independent Director
Chandni Vijay Somaiya	Member	Whole Time Director
Luca Pelosin	Member	Non-Executive Director

The scope and function of the SRC is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

(i) Redressal of all security holders' and investors' grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, general meetings etc., and assisting with quarterly reporting of such complaints;

(ii) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(iii) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(iv) Giving effect to all allotments, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated/new share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(v) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(vi) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(vii) Considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;

(viii) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(ix) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s) or agent(s); and

(x) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

5. Risk Management Committee ("RMC")

The RMC was constituted by a resolution of our Board dated July 14, 2023. The current constitution of the RMC is as follows:

Name of Director	Position in the committee	Designation
Gianmatteo Terruzzi	Chairperson	Chairman and Independent Director
Ketan Mansukhlal Rajani	Member	Whole Time Director
Luca Pelosin	Member	Non-Executive Director

The scope and function of the RMC is in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference shall be as follows:

(i) To formulate a detailed risk management policy which shall include:

- framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;

- Measures for risk mitigation including systems and processes for internal control of identified risks; and

- Business continuity plan.

(ii) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

(iii) To consider the effectiveness of decision-making process in crisis and emergency situations;

(iv) To balance risks and opportunities;

(v) To generally, assist the Board in the execution of its responsibility for the governance of risk;

(vi) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(vii) To review and recommend potential risk involved in any new business plans and processes;

(viii) To review the Company's risk-reward performance to align with the Company's overall policy objectives;

(ix) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(x) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(xi) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(xii) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

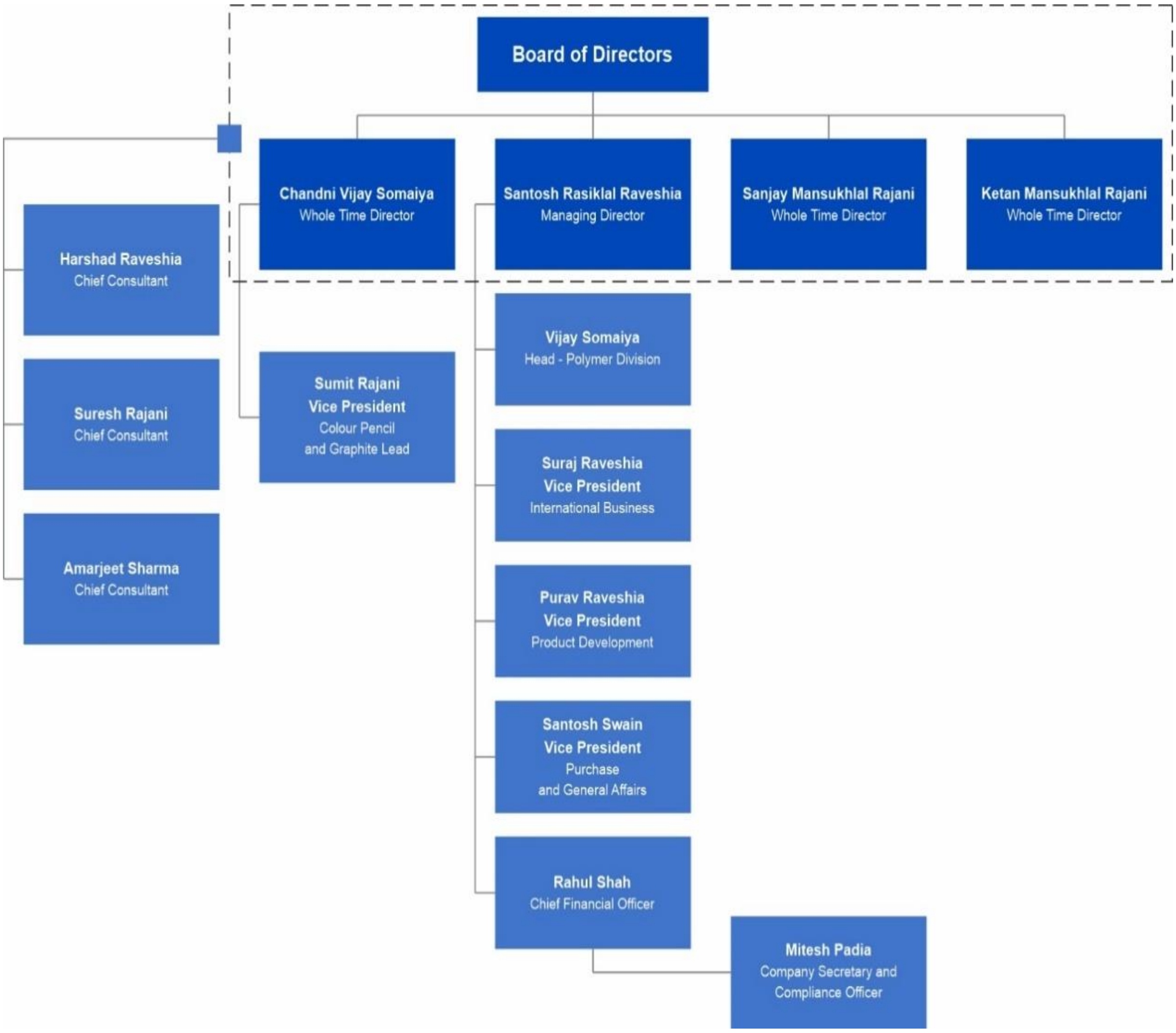
(xiii) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

(xiv) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(xv) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and

(xvi) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

Management organization chart



Key Managerial Personnel and Senior Management Personnel

Mitesh Padia, the Company Secretary and Compliance Officer of our Company and Rahul Shah, the Chief Financial Officer of our Company are the Key Managerial Personnel as on the date of this Red Herring Prospectus.

Harshad Raveshia, the Chief Consultant of the Wood Working Division of our Company, Suresh Rajani, the Chief Consultant of the Colour Pencil Division of our Company, Amarjeet Sharma, the Chief Consultant of the Domestic Sales and Marketing Division of our Company, Vijay Somaiya, the Head – Polymer Division of our Company, Purav Raveshia, the Vice President – New Product Development of our Company, Suraj Raveshia, the Vice President – International Business of our Company, Sumit Rajani, the Vice President – Colour Pencil & Graphite Lead of our Company and Santosh Swain, the Vice President – Purchase & General Affairs of our Company are the Senior Management Personnel as on date of this Red Herring Prospectus.

Brief profiles of our Key Managerial Personnel

Mitesh Padia is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in commerce and a bachelor's degree in law from the University of Mumbai and is an associate member of the Institute of Company Secretaries of India. In our Company, he handles secretarial and compliance functions. He joined our Company as the Executive in Legal Compliance of our Company on January 1, 2018. In Fiscal 2023, he received a remuneration of ₹0.76 million.

Rahul Shah is the Chief Financial Officer of our Company. He holds a bachelor's degree in management studies from University of Mumbai and has passed the final examination of master of commerce held by University of Mumbai. He also holds a post graduate diploma in management (finance) from S. P. Jain Institute of Management & Research. Prior to joining our Company, he has worked in ARANCA Mumbai Private Limited as a senior research analyst and Cohen Independent Research Group as an outside contractor analyst. Subsequently, he joined as a partner with Leap Growth Partners LLP, a boutique investment banking advisory outfit. He then joined our Company on December 1, 2016 as Vice President – Finance & Accounts. In Fiscal 2023, he received a remuneration of ₹6.39 million from our Company.

Brief profiles of our Senior Management Personnel

Harshad Raveshia is the Chief Consultant of the Wood Working Division of our Company. He has had no formal education. He was previously associated with R. R. Industries and has over 48 years of experience in the stationery industry in India. He joined our Company on December 1, 2011 as the Head – Wood Working Division and was appointed as Chief Consultant of the Wood Working Division of our Company on April 1, 2022. In Fiscal 2023, he received a consultancy fee of ₹7.48 million from our Company.

Suresh Rajani is the Chief Consultant of the Colour Pencil Division of our Company. He was sent up for the S.S.C. Exam (New Course) from Shrimati Gokalibai P. P. High School. He was previously associated with R. R. Industries and has over 48 years of experience in the stationery industry in India. He joined our Company on December 1, 2011 as the Head – Colour Pencil Division and was appointed as the Chief Consultant of the Colour Pencil Division of our Company on April 1, 2022. In Fiscal 2023, he received a consultancy fee of ₹7.48 million from our Company.

Amarjeet Sharma is the Chief Consultant of the Domestic Sales and Marketing Division of our Company. He holds a bachelor's degree in commerce (pass) from University of Delhi. He was previously associated with R. R. Industries and has over 18 years of experience in the stationery industry in India. He joined our Company on December 1, 2011 as Vice President – Finance & Accounts and was appointed as the Chief Consultant of the Domestic Sales and Marketing Division of our Company on April 1, 2022. In Fiscal 2023, he received a consultancy fee of ₹4.50 million from our Company.

Vijay Somaiya is the Head – Polymer Division of our Company. He was previously associated with R. R. Industries and has over 20 years of experience in the stationery industry in India. He joined our Company on December 1, 2011. In Fiscal 2023, he received a remuneration of ₹3.69 million from our Company.

Purav Raveshia is the Vice President - Product Development of our Company. He has passed the Higher Secondary Certificate Examination held by the Maharashtra State Board of Secondary and Higher Secondary Education. He was previously associated with R. R. Industries and has over 20 years of experience in the stationery industry in India. He joined our Company on April 1, 2011. In Fiscal 2023, he received a remuneration of ₹3.69

million from our Company.

Suraj Raveshia is the Vice President – International Business of our Company. He has passed the examination for the bachelor's degree in commerce (three year integrated degree) held by the University of Mumbai. He was previously associated with R. R. Industries and has over 14 years of experience in the stationery industry in India. He joined our Company on April 1, 2011. In Fiscal 2023, he received a remuneration of ₹3.69 million from our Company.

Sumit Rajani is the Vice President – Colour Pencil & Graphite Lead of our Company. He has passed the Secondary School Certificate Examination (10 – year course) held by the Maharashtra State Board of Secondary and Higher Secondary Education. He was previously associated with R.R. Industries and has over 20 years of experience in the stationery industry in India. He joined our Company on December 1, 2011. In Fiscal 2023, he received a remuneration of ₹3.69 million from our Company.

Santosh Swain is the Vice President – Purchase & General Affairs of our Company. He has passed the +3 Degree of Bachelor of Commerce Examination held by Utkal University, Orissa. He was previously associated with S-Tech Industries and has over 16 years of experience in the stationery industry in India. He joined our Company on December 1, 2011. In Fiscal 2023, he received a remuneration of ₹3.10 million.

Status of the Key Managerial Personnel and Senior Management Personnel

Except for Harshad Raveshia, Suresh Rajani and Amarjeet Sharma, all our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Retirement and termination benefits

Except applicable statutory and contractual benefits, none of our Key Managerial Personnel and Senior Management Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Family relationships between the Directors, Key Managerial Personnel and Senior Management Personnel

Except as stated below, none of our Directors, Key Managerial Personnel or Senior Management Personnel are related to any of our Directors, or other Key Managerial Personnel and Senior Management Personnel.

Sr. No.	Name of Directors/Key Managerial Personnel/Senior Management Personnel	Nature of Relationship
1.	Santosh Rasiklal Raveshia and Chandni Vijay Somaiya	Santosh Rasiklal Raveshia is the brother of Chandni Vijay Somaiya.
2.	Santosh Rasiklal Raveshia and Harshad Raveshia	Santosh Rasiklal Raveshia is the nephew of Harshad Raveshia.
3.	Santosh Rasiklal Raveshia and Vijay Somaiya	Santosh Rasiklal Raveshia is the brother-in-law of Vijay Somaiya.
4.	Santosh Rasiklal Raveshia and Suraj Raveshia	Santosh Rasiklal Raveshia is the cousin brother of Suraj Raveshia.
5.	Santosh Rasiklal Raveshia and Purav Raveshia	Santosh Rasiklal Raveshia is the cousin brother of Purav Raveshia.
6.	Chandni Vijay Somaiya and Harshad Raveshia	Chandni Vijay Somaiya is the niece of Harshad Raveshia.
7.	Chandni Vijay Somaiya and Vijay Somaiya	Chandni Vijay Somaiya is the wife of Vijay Somaiya.
8.	Chandni Vijay Somaiya and Suraj Raveshia	Chandni Vijay Somaiya is the cousin sister of Suraj Raveshia.
9.	Chandni Vijay Somaiya and Purav Raveshia	Chandni Vijay Somaiya is the cousin sister of Purav Raveshia.
10.	Sanjay Mansukhlal Rajani and Ketan Mansukhlal Rajani	Sanjay Mansukhlal Rajani is the brother of Ketan Mansukhlal Rajani.
11.	Sanjay Mansukhlal Rajani and Suresh Rajani	Sanjay Mansukhlal Rajani is the nephew of Suresh Rajani.
12.	Sanjay Mansukhlal Rajani and Sumit Rajani	Sanjay Mansukhlal Rajani is the cousin brother of Sumit Rajani.
13.	Ketan Mansukhlal Rajani and Suresh Rajani	Ketan Mansukhlal Rajani is the nephew of

Sr. No.	Name of Directors/Key Managerial Personnel/Senior Management Personnel	Nature of Relationship
		Suresh Rajani.
14.	Ketan Mansukhlal Rajani and Sumit Rajani	Ketan Mansukhlal Rajani is the cousin brother of Sumit Rajani.
15.	Massimo Candela and Annalisa Matilde Elena Barbera	Massimo Candela is the husband of Annalisa Matilde Elena Barbera
16.	Harshad Raveshia and Suraj Raveshia	Harshad Raveshia is the father of Suraj Raveshia.
17.	Harshad Raveshia and Purav Raveshia	Harshad Raveshia is the father of Purav Raveshia.
18.	Suresh Rajani and Sumit Rajani	Suresh Rajani is the father of Sumit Rajani.
19.	Suraj Raveshia and Purav Raveshia	Suraj Raveshia is the brother of Purav Raveshia.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Managerial Personnel and Senior Management Personnel

Except for Santosh Rasiklal Raveshia, the Managing Director and Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani and Chandni Vijay Somaiya, the Whole Time Directors of our Company, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares as on date of this Red Herring Prospectus. For details, see – "*Shareholding of Directors in our Company"* on page 257.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel, that does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

Our Company does not have any profit-sharing plan for our Key Managerial Personnel and Senior Management Personnel. However, the Key Managerial Personnel and Senior Management Personnel that are permanent employees of our Company are paid performance based discretionary bonus.

Interest of Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel are interested in our Company only to the extent of the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company or any divided payable to them.

Changes in the Key Managerial Personnel and Senior Management Personnel in last three years

The changes to our Key Managerial Personnel and Senior Managerial Personnel, other than by way of retirement in the normal course, during the three years immediately preceding the date of this Red Herring Prospectus are set forth below.

Name	Date of appointment/cessation	Reason
Harshad Raveshia	April 1, 2022	Appointment as Chief Consultant
Suresh Rajani	April 1, 2022	Appointment as Chief Consultant
Amarjeet Sharma	April 1, 2022	Appointment as Chief Consultant
Rahul Shah	December 12, 2022	Appointment as Chief Financial Officer
Mitesh Padia	July 6, 2023	Appointment as Company Secretary

Note:
1. The table above excludes changes in designation.
2. Harshad Raveshia, Suresh Rajani and Amarjeet Sharma were on the permanent rolls of our Company. However, they retired

on March 31, 2022. Thereafter, on April 1, 2022, they were appointed as Chief Consultants.

Payment or benefit to officers of our Company (non-salary related)

No amount or benefit has been paid or given or intended to be paid or given to any officer of the Company, including our Key Managerial Personnel and Senior Management Personnel in the two years immediately preceding the date of this Red Herring Prospectus.

Employee stock options

For details about the ESOP Plan 2023, see "*Capital Structure – Employee Stock Option Plan*" on page 93.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Santosh Rasiklal Raveshia, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, Chandni Vijay Somaiya and FILA are the Promoters of our Company.

As on the date of this Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of the Promoter	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital (in %)
1.	FILA	28,687,735	51.00
2.	Santosh Rasiklal Raveshia	9,562,679	17.00
3.	Sanjay Mansukhlal Rajani	4,854,952	8.63
4.	Ketan Mansukhlal Rajani	4,854,952	8.63
5.	Chandni Vijay Somaiya	2,249,900	4.00
Total		**50,210,218**	**89.26**

For details, see "*Capital Structure – Details of shareholding of our Promoters and members of the Promoter Group in our Company – Build-up of the Promoter's shareholding in our Company*" on page 93.

Details of our Promoters are as follows:

Individual Promoters:

Santosh Rasiklal Raveshia

Santosh Rasiklal Raveshia, aged 47 years, is a Promoter and the Managing Director of our Company.

Date of Birth: April 1, 1976
***Address*:** Plot no. 114, GIDC colony, Umargram, Umbergaon, I.e., Valsad - 396 171, Gujarat, India
***Permanent Account Number*:** ACAPR0242B

For the complete profile of Santosh Rasiklal Raveshia, along with details of his educational qualifications, professional experience, position/ posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 249.

Sanjay Mansukhlal Rajani

Sanjay Mansukhlal Rajani, aged 54 years, is a Promoter and the Whole Time Director of our Company.

Date of Birth: November 28, 1968
***Address*:** Plot no – 113, GIDC colony, Umbergaon, Valsad – 396 171, Gujarat, India
***Permanent Account Number*:** AADPR8959G

For the complete profile of Sanjay Mansukhlal Rajani, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 249.

Ketan Mansukhlal Rajani

Ketan Mansukhlal Rajani, aged 52 years, is a Promoter and the Whole Time Director of our Company.

Date of Birth: January 9, 1971
***Address*:** 1 Floor, Prabhuniwas, Chitranjan Road, Vile Parle East, Mumbai – 400 057, Maharashtra, India
***Permanent Account Number*:** AADPR8961N

For the complete profile of Ketan Mansukhlal Rajani, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 249.

Chandni Vijay Somaiya

Chandni Vijay Somaiya, aged 50 years, is a Promoter and the Whole Time Director of our Company.

Date of Birth: April 30, 1973
***Address*:** B/3/23, GIDC colony, Umargam, Umbergaon, I.e., Valsad – 396 171, Gujarat, India
***Permanent Account Number*:** ABEPS6499N

For the complete profile of Chandni Vijay Somaiya, along with details of her educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 249.

Our Company confirms that the PAN, bank account number(s), aadhaar card number, driving license number (except for Chandni Vijay Somaiya, who does not hold a driving license) and passport number of the Individual Promoters have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Corporate Promoter:

F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A.

Corporate Information

FILA was incorporated on October 7, 2013, under the laws of Italy, with its registered office currently located at Pero, Via XXV Aprile 5, 20016, Italy. Its CIN is 08391050963. FILA is currently engaged in the business of manufacturing, production and marketing of products, tools, media and accessories for coloring, writing, marking and modelling, cosmetic items, which find application mainly in play, study, work. There has been no change in activities since incorporation. The ordinary shares of FILA are listed on the Milan Stock Exchange, Segment Euronext STAR Milan. Further, the listing details of FILA is available at https://investors.filagroup.it/en/share/ and at https://www.borsaitaliana.it/borsa/azioni/scheda/ IT0004967292.html?lang=en.

Board of directors

The board of directors of FILA comprises the following persons:

1. Giovanni Gorno Tempini;
2. Massimo Candela;
3. Luca Pelosin;
4. Carlo Paris;
5. Donatella Sciuto;
6. Giorgina Gallo; and

7. Annalisa Matilde Elena Barbera.

Shareholding Pattern

The shareholding pattern of FILA as on date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of shares	Percentage of equity shares held (in %)
1.	Pencil S.r.l.	19,710,070	38.60
2.	Market investors	31,348,227	61.40
Total		**51,058,297**	**100.00**

Natural Persons in Control

Massimo Candela is the ultimate beneficial owner and the natural person in control of FILA.

Change in control

There has been no change in control of FILA in the three years preceding the date of this Red Herring Prospectus.

Our Company confirms that the PAN, bank account number(s) and company registration number of FILA and address of the registrar of companies where FILA is registered shall be submitted to the Stock Exchanges at the time of filing this Red Herring Prospectus.

Details of the promoter of F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A.

The promoter of FILA is Pencil S.r.l.

Corporate information

Pencil S.r.l was incorporated on May 12, 2010, under the laws of Italy, with its registered office at Viale Vittorio Veneto 14, 20124 Milano, Italy. Its CIN is 10338010019.

Board of directors

The board of directors of Pencil S.r.l comprises the following persons:

1. Massimo Candela;
2. Antonio Scarabosio;
3. Stefano de Rosa; and
4. Annalisa Matilde Elena Barbera.

Shareholding pattern

The shareholding pattern of Pencil S.r.l as on date of this Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of equity shares	Percentage of the issued, subscribed and paid-up equity share capital (in %)
1.	Wood S.r.l.*	4,890,942.70	81.52
2.	Massimo Candela	1,109,057.30	18.48
Total		**6,000,000.00**	**100.00**

** Massimo Candela is the ultimate beneficial owner of Wood S.r.l.*

Change in control of our Company

There has been no change in control of our Company in the last five years immediately preceding the date of this Red Herring Prospectus.

Other ventures of our Promoters

Other than as disclosed in "- *Promoter Group – Entities forming part of the Promoter Group*" and "*Our*

Management- Board of Directors- Other directorships" on pages 277 and 249 respectively, our Promoters are not involved in any other venture. Further, other than certain entities disclosed in "*- Promoter Group – Entities forming part of the Promoter Group*" our Promoters are not involved in any other venture that is involved in any activities similar to those conducted by our Company. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations as and when they arise.

Interests of Promoters

Our Promoters are interested in our Company: (i) to the extent that they have promoted our Company; (ii) to the extent of their direct or indirect shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested and which hold Equity Shares in our Company; (iii) to the extent that they are Directors of our Company; (iv) to the extend of certain loans granted by them to our Company; and (v) the dividend payable upon such shareholding and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives or such entities, if any. For further details, see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company*" and "*Financial Indebtedness"* on pages 93 and 392, respectively. Additionally, our Promoters may be interested in transactions entered into by our Company with them, their relatives or other entities (i) in which our Promoters hold shares, directly or indirectly or (ii) which are controlled by our Promoters.

Except as stated below, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a Director (in case of the Individual Promoters), Promoter or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

As per the terms of the Service Agreement dated August 1, 2016, entered into between FILA and our Company, our Company pays certain compensation to FILA for certain services and consultation offered by FILA to our Company. For further details, see "*History and Certain Corporate Matters - Key terms of other subsisting material agreements other than in the ordinary course of business* **-** *Service Agreement dated August 1, 2016 executed by and among our Company and FILA ("**Service Agreement**")"* on page 242. Pursuant to the Service Agreement, our Company paid the following amounts to FILA as service fees in the last three Fiscals and the six months period ended September 30, 2023:

(in ₹ million)

Particulars	Fiscal 2021*	Fiscal 2022*	Fiscal 2023	Six months period ended September 30, 2023
Service fees paid to FILA	0.94	-	5.40	2.57

**Partial service fees were paid to FILA in Fiscal 2021, and no service fees was paid to FILA in Fiscal 2022 on account of COVID-19.*

Further, FILA is also interested in the transaction of purchase of products by our Company from FILA and the relevant entities forming part of the FILA Group under the Brand Authorisation Letters. For further details, see "*History and Certain Corporate Matters – Key terms of other subsisting material agreements other than in the ordinary course of business – Brand Authorisation Letters*" on page 242.

Our Company has paid the following amounts for the purchase of products from FILA and the relevant entities forming part of the FILA Group in terms of the Brand Authorisation Letters:

(in ₹ million)

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Amount paid to FILA and the relevant entities forming part of the FILA Group for purchase of FILA branded products	29.00	28.76	22.58	9.33

Interest in property, land, construction of building and supply of machinery

Except as disclosed herein and as stated in "*Restated Consolidated Financial Information – Note 44- Related parties*" on page 336, our Promoters do not have any interest in any property acquired by our Company in the preceding three years from the date of this Red Herring Prospectus or proposed to be acquired by our Company.

Further, our Promoters are not interested in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, etc.

Payment or benefits to Promoters or Promoter Group

Except as disclosed in the "*Restated Consolidated Financial Information*" on page 283, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or any members of the Promoter Group as on the date of this Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Except as stated below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Red Herring Prospectus:

Name of the company/firm	Reasons for and circumstances leading to dissociation	Date of dissociation
Corporate Promoter		
CastleHill Crafts Limited	Dissociation by FILA due to liquidation of CasstleHill Crafts Limited.	March 16, 2021
Canson Italy S.r.l.	Dissociation by FILA due to liquidation of Canson Italy S.r.l.	September 29, 2023
Individual Promoters		
Micro Wood Private Limited	The entire stake of Micro Wood Private Limited held by our Individuals Promoters was transferred to our Company pursuant to a share purchase agreement dated July 28, 2023.	August 1, 2023

Material guarantees

As on the date of this Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Individual Promoters, are as follows:

Name of the Promoter	Name of member of our Promoter Group	Relationship with our Individual Promoter
Santosh Rasiklal Raveshia	Sejal Santosh Raveshia	Spouse
	Sheetal Hiren Parpani	Sister
	Chandni Vijay Somaiya	Sister
	Om Santosh Raveshia	Son
	Muskan Parikh	Daughter
	Urmila Khandedia	Spouse's mother
	Hemal Vithlani	Spouse's sister
	Disha Tanna	Spouse's sister
Sanjay Mansukhlal Rajani	Pravina Mansukhlal Rajani	Mother
	Ila Sanjay Rajani	Spouse
	Ketan Mansukhlal Rajani	Brother
	Vidhi Rajani	Daughter
	Sharadaben Gadhiya	Spouse's mother
	Dipakbhai Gadhiya	Spouse's brother

Name of the Promoter	Name of member of our Promoter Group	Relationship with our Individual Promoter
	Dineshbhai Gadhiya	Spouse’s brother
Ketan Mansukhlal Rajani	Pravina Mansukhlal Rajani	Mother
	Shilpa Ketan Rajani	Spouse
	Sanjay Mansukhlal Rajani	Brother
	Maitri Rajani	Daughter
	Rutvi Rajani	Daughter
	Muktaben Mashru	Spouse’s mother
	Prakash Mashru	Spouse’s brother
	Jagruti Kataria	Spouse’s sister
	Alpa Unadkat	Spouse’s sister
Chandni Vijay Somaiya	Vijay Somaiya	Spouse
	Santosh Rasiklal Raveshia	Brother
	Sheetal Hiren Parpani	Sister
	Uday Somaiya	Spouse’s brother

Entities forming part of the Promoter Group

The companies, bodies corporate, HUFs, trusts and firms forming part of our Promoter Group, are as follows:

1. Beijing F.I.L.A.-Dixon Stationery Company Ltd.;
2. Brideshore srl;
3. Canson Art & Craft Yixing Co., Ltd.;
4. Canson Australia PTY LTD;
5. Canson Qingdao Paper Productos Co., Ltd.;
6. Canson SAS;
7. Commander Products;
8. Creative Art Products Limited;
9. Daler Rowney GmbH;
10. Daler Rowney Ltd;
11. Darzi Boutique;
12. Dixon Canadian Holding Inc.;
13. Dixon Comercializadora S.A. de C.V.;
14. Dixon Mexico, S.A. de C.V.;
15. Dixon Ticonderoga ART ULC;
16. Dixon Ticonderoga Company;
17. F.I.L.A. Chile Ltda;
18. F.I.L.A. Nordic AB;
19. FILA Argentina S.A.;
20. FILA Art and Craft Ltd;
21. FILA Art Products AG;
22. FILA Benelux SA;
23. Fila Canson Do Brasil Productos de Artes e Escolar Ltda;
24. FILA Dixon Stationery (Kunshan) Co., Ltd.;
25. Fila Hellas Single Member S.A.;
26. Fila Iberia S. L.;
27. Fila Polska Sp. Z.o.o;
28. FILA SA PTY LTD;
29. Fila Specialty Paper LLC;
30. FILA Stationary and Office Equipment Industry Ltd. Co.;
31. Fila Stationary O.O.O.;
32. Fila Arches SAS;
33. Fixy Adhesives Private Limited;
34. Grupo F.I.L.A.-Dixon, S.A. de C.V.;
35. Industria Maimeri S.p.A;.
36. Inxon Pens & Stationery Private Limited;
37. J D Fine Art;

38. Johann Froescheis Lyra Bleistift-Fabrik GmbH & Co. KG;
39. Ketan Mansukhlal Rajani HUF;
40. Kika V-Comm Private Limited;
41. Lodi 12 SAS;
42. Lyra Bleistift-Fabrik Verwaltungs GmbH;
43. M/s. Lotus Studio;
44. M/s. Ram Handicrafts;
45. Man Visionaries LLP;
46. Mansukhlal Jamnadas Rajani HUF;
47. Micro Wood Private Limited;
48. MRR Industries;
49. Pencil S.r.l.;
50. Pioneer Stationery Private Limited;
51. PP Industries;
52. Princeton Hong Kong Co. Ltd.;
53. PT. Lyra Akrelux;
54. R.R. Industries – Jammu;
55. R.R. Industries;
56. Rajani Metal & Engineering Works;
57. Rasiklal Amritlal Raveshia HUF;
58. Rasiklal and Mansukhlal Corporate Advisors LLP;
59. Renoir Bidco Ltd;
60. Renoir Midco Ltd;
61. Renoir Topco Ltd;
62. Sanjay Mansukhlal Rajani HUF;
63. Santosh Rasiklal Raveshia HUF;
64. Servidix S.A. de C.V.;
65. St. Cuthberts Holding Limited;
66. St. Cuthberts Mill Limited;
67. S-Tech Industries;
68. Vijay Somaiya HUF;
69. Wood S.r.l; and
70. Xinjiang F.I.L.A.-Dixon Plantation Company Ltd.

GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than the Corporate Promoter and the Subsidiaries) with which there were related party transactions during the period for which financial information is disclosed in this Red Herring Prospectus, as covered under applicable accounting standards; and (ii) any other companies considered material by the Board of Directors of our Company. Accordingly, all such companies (other than our Corporate Promoter and Subsidiaries) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per the Restated Consolidated Financial Information, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

In addition, pursuant to the Materiality Policy, for the purposes of (ii) above, a company (other than our Corporate Promoter, Subsidiaries and companies categorized under (i) above) has been considered "material" and has been disclosed as a 'Group Company' in this Red Herring Prospectus if: (a) such company was categorized as a subsidiary in the Restated Consolidated Financial Information and has ceased to be a subsidiary of our Company and with which there were related party transactions during the periods covered in the Restated Consolidated Financial Information; (b)(i) such company is a member of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and (ii) our Company has entered into one or more transactions with such company during the last completed Fiscal or stub period, if applicable, which individually or cumulatively in value exceeds 10% of the consolidated revenue from operations of our Company for the last completed Fiscal derived from the Restated Consolidated Financial Information.

Based on the above, details of our Group Companies is set forth below:

Sr. No.	Group Company	Registered Office
1.	Canson SAS	Rue Louis et Laurent Seguin No. 67, Annonay
2.	Clapjoy Innovations Private Limited	635/14, NA Faridabad, Haryana 121 007
3.	Daler Rowney Limited	Peacock Lane, Bracknell, England
4.	Dixon Comercializadora SA de CV	Autopista México-Querétaro Km 33.5, no. 104, Lecheria, Tultitlán, Estado de México 54940
5.	Dixon Ticonderoga Company	2525 N Casaloma Dr Appleton, WI 54913
6.	Inxon Pens & Stationery Private Limited	Plot No. 117, 52 Hector Expansion Area, New G.I.D.C., Umbergaon, Valsad 396 171, Gujarat, India
7.	FILA Argentina S.A.	La Calandria 465. B1607CTA Villa Adelina, Buenos Aires (Argentina)
8.	FILA Art and Craft Limited	Moshav Beni-Zion, Ha'manim St.
9.	Fila Canson Do Brasil Productos de Artes e Escolar Ltda	Rod. SP 73, 4509 – BL04 – NR Condominio - Indaiatuba.
10.	F.I.L.A. Chile Ltda	Carretera General San Martin Nº 9340 Bodega Q Comuna de Quilicura, Santiago (Chile).
11.	FILA Dixon Stationery (Kunshan) Co., Ltd.	Jiguang Zhonglu n. 211, Qiandeng Town, Kunshan City, Jiangsu Province, China
12.	Fixy Adhesives Private Limited	Plot No. 117, 52 Hector Expansion Area, New G.I.D.C., Umbergaon, Valsad 396 171, Gujarat, India
13.	Johann Froescheis Lyra Bleistift Fabrik GmbH & Co. KG	Willstätterstraße 54-56, 90449 Nuremberg
14.	Kika V-Comm Private Limited	Plot No. 48-49/1, G.I.D.C., Umbergaon, Valsad 396 171, Gujarat, India
15.	PT. Lyra Akrelux	Jl. Raya Boulevard Barat Blok LC 6/23, Kelapa Gading Permai. Jakarta 14240 (Indonesia)
16.	St. Cuthberts Mill Limited	Haybridge, Wells, Somerset, BA5 1AG, England
17.	Uniwrite Pens and Plastics Private Limited	Plot No. 48-49/1, G.I.D.C., Umbergaon, Valsad 396 171, Gujarat, India

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserves), (ii) sales, (iii) profit after tax, (iv) earnings per share, (v) diluted earnings per share and (vi) net asset value, derived from the respective audited financial statements of our top five Group Companies for the last three financial years shall be hosted on our website as indicated below:

Sr. No.	Name of the Group Company	Website
1.	Dixon Ticonderoga Company	https://www.domsindia.com/financial-statement-of-subsidiaries-group-companies/
2.	Canson SAS	https://www.domsindia.com/financial-statement-of-subsidiaries-group-companies/
3.	Dixon Comercializadora SA de CV	https://www.domsindia.com/financial-statement-of-subsidiaries-group-companies/
4.	Daler Rowney Limited	https://www.domsindia.com/financial-statement-of-subsidiaries-group-companies/
5.	Johann Froescheis Lyra Bleistift Fabrik GmbH & Co. KG	https://www.domsindia.com/financial-statement-of-subsidiaries-group-companies/

Nature and extent of interest of Group Companies

In the promotion of our Company

None of our Group Companies have any interest in the promotion or formation of our Company.

In the properties acquired by our Company in the past three years before filing this Red Herring Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc. entered into by our Company.

Common pursuits of our Group Companies

As on the date of this Red Herring Prospectus, all our Group Companies, except, Clapjoy Innovations Private Limited are engaged to a limited extent, in a similar line of business as ours, and to this limited extent, there may be common pursuits between our Company and such respective Group Company.

Further, Inxon Pens & Stationery Private Limited, Fixy Adhesives Private Limited and Uniwrite Pens and Plastics Private Limited are authorised by their constitutional documents to carry on similar business operations as our Company. However, as on the date of this Red Herring Prospectus, they do not have any business operations.

While there may be instances of competition with such Group Companies to the extent of such limited similar line of business, our Company, and our Group Companies will adopt the necessary procedures and practices as permitted by law to address any conflict-of-interest situation as and when they arise. For further details, see "*Risk Factors – Other Risks – 46. Common pursuits - Our Corporate Promoter, our Subsidiaries and certain of our Group Companies have common pursuits with our Company as they are engaged in similar business or industry segments and may compete with us. Our Promoters and Directors are involved with one or more ventures which are in the same line of activity or business as that of our Company"* on page 59.

Other than the above, our Group Companies are not involved in any common pursuits with our Company, our Subsidiaries, or other Group Companies as on the date of this Red Herring Prospectus.

Related business transactions within our Group Companies and significance on the financial performance of our Company

Except the transactions disclosed in "*Related Party Transactions*" and "*Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information – Annexure VII – Note 44- Related parties*" on pages 354 and 336 and business transactions which our Company and certain Group Companies have entered into as part of normal/ ordinary course of business including purchase and sale of goods and service, there are no other related business transactions entered into with the Group Companies.

Litigation

As on date of this Red Herring Prospectus, there are no litigation proceedings involving our Group Companies which may have a material impact on our Company.

Business interest of Group Companies

Except in the normal/ ordinary course of business including purchase and sale of goods and services and as stated in "*Related Party Transactions*" and "*Restated Consolidated Financial Information – Notes to Restated Consolidated Financial Information – Annexure VII – Note 44- Related parties*" on pages 354 and 336, none of our Group Companies have any business interest in our Company.

Confirmations

None of our Group Companies have any securities listed on a stock exchange. Further, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules notified thereunder and the dividend distribution policy of our Company may be reviewed and amended periodically by our Board in accordance with the same. The dividend distribution policy of our Company was approved and adopted by our Board on July 14, 2023 ("**Dividend Policy**").

The dividend pay-out shall be determined by our Board after taking into account a number of factors, including but not limited to: (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/ modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

The details of the dividend paid by our Company during the last three Fiscals and the six months period ended September 30, 2023 till the date of this Red Herring Prospectus are given below:

Particulars	For the Fiscals ended			For the six months period ended September 30, 2023	From October 1, 2023 until the date of this Red Herring Prospectus
	March 31, 2021	March 31, 2022	March 31, 2023		
Number of equity shares at year	372,518	372,518	372,518	56,250,218	56,250,218
Face value per equity share (*in ₹*)	10	10	10	10	10
Aggregate dividend paid (*in ₹ million*)	Nil	55.88#	93.13*	Nil	Nil
Dividend per Equity Share^ (*in ₹*)	Nil	150	250	Nil	Nil
Rate of dividend (%)	Nil	1,500	2,500	Nil	Nil
Dividend distribution tax (*in ₹ million*)	Nil	Nil	Nil	Nil	Nil
Dividend distribution tax rate (%)	Nil	Nil	Nil	Nil	Nil
Mode of payment of dividend	N.A.	Bank transfer	Bank transfer	N.A.	N.A.

* *The Board of the Company approved an interim dividend of ₹250 per Equity Share for March 31, 2023, aggregating to ₹93.13 million which was paid on June 14, 2023.*

^ *Excluding dividend distribution tax.*

Dividends paid during Fiscal 2022 aggregating to ₹55.88 million is out of Retained Earnings for the year ended March 31, 2022.

The amount of dividend paid in the past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future on the Equity Shares. For details of risks in relation to our capability to pay dividend, see "*Risk Factors – 61. Dividend - Our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position*." on page 64.

SECTION VI – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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B S R & Co. LLP
Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai – 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
DOMS Industries Limited (formerly known as 'DOMS Industries Private Limited')
J-19, G.I.D.C., Opposite Telephone Exchange
Umbergaon, 396 171,
Gujarat, India

Dear Sirs,

1. We B S R & Co. LLP, Chartered Accountants ("we" or "us" or "B S R") have examined the attached restated consolidated financial information of DOMS Industries Limited (Formerly known as DOMS Industries Private Limited) (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") and its associate, comprising the restated consolidated balance sheet as at 30 September 2023, 31 March 2023, 31 March 2022, and 31 March 2021, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the six months period ended 30 September 2023 and for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, the summary statement of significant accounting policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 24 November 2023 for the purpose of inclusion in the red herring prospectus ("RHP") and Prospectus prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO") 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").
   d) E-mail dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India, instructing lead managers to ensure that companies provide consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) for all the three years and stub period (hereinafter referred to as the "the SEBI e-mail").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed/ submitted with Securities and Exchange Board of India ('SEBI'), Registrar of Companies, Gujarat, situated at Ahmedabad ("RoC") and

the relevant stock exchanges in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the Management of the Company on the basis of preparation stated in note 2(i) to the Restated Consolidated Financial Information. The responsibilities of respective board of directors of the companies included in the Group and of its associate includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group and its associate complies with the Act, ICDR Regulations the Guidance Note and the SEBI e-mail.

3. We have examined such Restated Consolidated 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 24 November 2023 in connection with the proposed IPO of equity shares of the Company;

   b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

   d) The requirements of Section 26 of the Act, the ICDR Regulations and the SEBI e-mail.

   Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, SEBI e-mail and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the Management from:

   a) As at and for six month period ended 30 September 2023: special purpose consolidated interim financial statements of the Group and its associate as at and for the six months period ended 30 September 2023, prepared in accordance with recognition and measurement principles under Indian Accounting Standards ("Ind AS") 34 "Interim Financial Reporting" specified under Section 133 of the Act, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 24 November 2023.

   b) As at and for the year ended 31 March 2023: From the audited consolidated financial statements of the Group and its associate as at and for the year ended March 31, 2023, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 12 July 2023.

   c) As at and for the year ended 31 March 2022: From the audited consolidated financial statements of the Group as at and for the year ended March 31, 2022, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 30 September 2022.

d) As at and for the year ended 31 March 2021: From the audited special purpose consolidated financial statements of the Group as at and for the year ended 31 March 2021, which were prepared by the Company in response to the requirements of the SEBI e-mail and were approved by the Board of Directors at their Board meeting held on 17 August 2023. The audited special purpose consolidated financial statements for the year ended 31 March 2021 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies (both mandatory exceptions and optional exemptions) availed as per Ind AS 101 for the transition date of April 1, 2020 and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended 31 March 2023.

5. For the purpose of our examination, we have relied on:

a) Auditor's report issued by us dated 24 November 2023 on the special purpose consolidated interim financial statements of the Group and its associate as at and for the six months period ended 30 September 2023 as referred in Paragraph 4 (a) above. The auditor's report on the special purpose consolidated interim financial statements of the Group and its associate as at and for the six months period ended 30 September 2023 included the following emphasis of matter and other matter paragraph:

Emphasis of matter paragraph

We draw attention to Note 2(i) to the special purpose consolidated interim financial statements, which describes the basis of preparation. The special purpose consolidated interim financial statements are prepared for the purpose of preparation of Restated Consolidated Financial Information, which will be included in the Red Herring Prospectus in connection with proposed issue of equity shares of the Holding Company and sale of equity shares by certain existing shareholders by way of initial public offer. As a result, the special purpose consolidated interim financial statements may not be suitable for any other purpose. Our report is intended solely for the Company and should not be used or distributed to parties other than the Company. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Our opinion is not modified in respect of this matter.

Other matter paragraph:

We did not audit the special purpose interim financial statements of two subsidiaries, whose special purpose interim financial statements reflects total assets (before consolidation adjustments) of Rs. 1,201.57 millions as at 30 September 2023, total revenues (before consolidation adjustments) of Rs. 974.10 millions and net cash flows (before consolidation adjustments) amounting to Rs. 15.71 millions for the six months period ended on that date, as considered in the special purpose consolidated interim financial statements. The special purpose consolidated interim financial statements also include the Group's share of net loss (and other comprehensive loss) of Rs. 0.88 millions for the six months period ended 30 September 2023, in respect of one associate, whose special purpose interim financial statements have not been audited by us. These special purpose interim financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the special purpose consolidated interim financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report so far as it relates to the aforesaid subsidiaries and associate is based solely on the report of the other auditors.

Our Opinion is not modified in respect of this matter.

b) Auditor's report issued by us dated 12 July 2023 on the consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2023 as referred in Paragraph 4 (b) above. The auditor's report on the consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2023 included the following other matter paragraph

Other matter paragraph:

We did not audit the financial statements of four subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 696.55 millions as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 1,395.66 millions and net cash flows (before consolidation adjustments) amounting to Rs. 42.30 millions for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Company's share of net profit (and other comprehensive income) of Rs. 0.01 millions for the year ended 31 March 2023, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate is based solely on the reports of the other auditors

Our Opinion is not modified in respect of this matter.

c) Auditor's report issued by us dated 30 September 2022 on the consolidated financial statements of the Group as at and for the year ended 31 March 2022 as referred in Paragraph 4(c) above. The auditor's report on the consolidated financial statements of the Group as at and for the year ended 31 March 2022 included the following Other Matter Paragraph:

Other matter paragraph:

We did not audit the financial statements of four subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 525.14 millions as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 730.12 millions and net cash outflows (before consolidation adjustments) amounting to Rs. 7.20 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our Opinion is not modified in respect of this matter.

d) Auditor's reports issued by us dated 17 August 2023 on the audited special purpose consolidated financial statements of the Group as at and for the year ended 31 March 2021 as referred in Paragraph 4(d) above. These audited special purpose consolidated financial statements are prepared in accordance with basis of preparation as referred to Note 2.1 of the audited special purpose consolidated financial statements for the year ended 31 March 2021. The auditor's report on the audited special purpose consolidated financial statements of the Group as at and for the years ended 31 March 2021 included the following Emphasis of Matter paragraph and Other matter paragraphs:

Emphasis of matter paragraph:

We draw attention to Note 2(i) to the special purpose consolidated financial statements, which describes the basis of preparation of these special purpose consolidated financial statements. As explained therein, these special purpose consolidated financial statements have been prepared by the Company in response to the requirements of the email dated 28 October 2021 from Securities and Exchange Board of India ('SEBI') to Association of Investment bankers of India, instructing lead managers to ensure that companies provide financial statements prepared in accordance with Indian Accounting standards (Ind AS) for all three years and stub period (hereinafter referred to as 'the SEBI e-mail') for submission to SEBI. Accordingly, the attached special purpose consolidated financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Our Opinion is not modified in respect of this matter.

Other matters paragraph:

i. We did not audit the special purpose financial statements of two subsidiaries, whose special purpose financial statements reflects total assets (before consolidation adjustments) of Rs. 395.59 millions as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. 491.45 millions and net cash inflows (before consolidation adjustments) of Rs. 12.91 millions for the year ended on that date, as considered in the special purpose consolidated financial statements. These special purpose financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the special purpose consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

   Our Opinion is not modified in respect of this matter.

ii. We did not audit the special purpose financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 0.19 millions as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) of Rs. 0.18 millions for the year ended on that date, as considered in the special purpose consolidated financial statements. The special purpose financial statements of these two subsidiaries have now been audited by other auditors vide audit report dated 17 August 2023, respectively, for the purpose of preparation of special purpose consolidated financial statements of the Company. The financial statements of these two subsidiaries were earlier unaudited at the time of issuance of statutory auditor's report dated 30 November 2021 on consolidated financial statements of the Company as at and for the year ended 31 March 2021. Our opinion on the special purpose consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these two subsidiaries, and our report so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

   Our Opinion is not modified in respect of this matter.

6. As indicated in our audit reports referred above:

We did not audit the financial statements of two subsidiaries included in the Group as of and for the six months period ended 30 September 2023, four subsidiaries included in the Group as of and for the year ended 31 March 2023, four subsidiaries included in the Group as of and for the year ended 31 March 2022 and two subsidiaries included in the Group as of and for the year ended 31 March 2021 as listed in Annexure I whose financial statements reflect total assets, total revenues and total cash flows included in the Audited Consolidated Financial Statements for the relevant period / year as tabulated below. Further, we did not audit the financial statements of one associate whose financial statements reflect the consolidated entities' share of loss of Rs. 0.88 millions for the six months period ended 30 September 2023 and profits of Rs. 0.01 million for the period ended 31 March 2023.These financial statements have been audited by other auditors as detailed in Annexure I whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of such subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the matters above.

(Rs in millions)

Particulars	**As at/ for the six months period ended September 30, 2023**	**As at/ for the year ended March 31, 2023**	**As at/ for the year ended March 31, 2022**	**As at/ for the year ended March 31, 2021**
Total assets	1,201.57	696.55	525.14	395.59
Total revenue	974.10	1,395.66	730.12	491.45
Net cash inflows/ (outflows)	15.71	42.30	(7.20)	12.91

Particulars	**As at/ for the six months period ended September 30, 2023**	**As at/ for the year ended March 31, 2023**
Share of Profit/ (Loss) in its associate	0.88	0.01

We did not audit the special purpose financial statements of two subsidiaries included in the Group, as of and for the year ended 31 March 2021 as listed in Annexure II, whose financial statements reflect total assets, total revenues and net cash inflows included in the special purpose consolidated financial statements for the relevant year as tabulated below. The special purpose financial statements of these two subsidiaries have now been audited by other auditors vide audit report dated 17 August 2023, respectively, for the purpose of preparation of special purpose consolidated financial statements of the Company. The financial statements of these two subsidiaries were earlier unaudited at the time of issuance of statutory auditor's report dated 30 November 2021 on consolidated financial statements of the Company as at and for the year ended 31 March 2021. Our opinion on the special purpose consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these two subsidiaries, and our report so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

(Rs in millions)

Particulars	As at and for the year ended 31 March 2021
In respect of subsidiaries	
Total assets	0.19
Total revenues	Nil
Total cash flows	0.18

The auditors of material subsidiaries i.e., M. I. Shah and Co. who is the auditor of Pioneer Stationery Private Limited and Uniwrite Pens and Plastics Private Limited (as mentioned in Annexure I), have examined the restated consolidated financial information and have confirmed that the restated consolidated financial information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended 31 March 2023, 31 March 2022 and 31 March 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended 30 September 2023

b) does not contain any qualifications requiring adjustments;

c) have been prepared in accordance with the Act, ICDR Regulations, the Guidance Note and the SEBI e-mail.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the auditors of material subsidiaries for the respective years/period, we report that the Restated Consolidated Financial Information:

    a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023, 31 March 2022 and 31 March 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended 30 September 2023;

    b) does not contain any qualifications requiring adjustments; and

    c) have been prepared in accordance with the Act, ICDR Regulations, Guidance Note, and the SEBI e-mail.

8. We have not audited any financial statements of the Group and its associate as of any date or for any period subsequent to 30 September 2023. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group and its associate as of any date or for any period subsequent to 30 September 2023.

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 4 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and Prospectus to be filed/ submitted with SEBI, ROC and relevant stock exchanges 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 B S R & Co LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Tarun Kinger
Membership No: 105003
Date: 24 November 2023
UDIN: 23105003BGYDMK2034

Annexure I

Entity	Nature of holding	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Pioneer Stationery Private Limited	Subsidiary	Special purpose financial statements Audited by M. I. Shah & Co.	Audited by M. I. Shah & Co.	Special purpose financial statements are audited by M. I. Shah & Co.	Special purpose financial statements are audited by M. I. Shah & Co.
Uniwrite Pens and Plastics Private Limited*	Subsidiary	NA	Audited by M. I. Shah & Co.	Special purpose financial statements are audited by M. I. Shah & Co.	Special purpose financial statements are audited by M. I. Shah & Co.
Inxon Pens & Stationery Private Limited*	Subsidiary	NA	Audited by M. I. Shah & Co.	Special purpose financial statements are audited by M. I. Shah & Co.	Refer Annexure II
Fixy Adhesives Private Limited*	Subsidiary	NA	Audited by M. I. Shah & Co.	Special purpose financial statements are audited by M. I. Shah & Co.	Refer Annexure II
Micro Wood Private Limited**	Subsidiary	Special purpose financial statements Audited by M. I. Shah & Co.	NA	NA	NA
Clapjoy Innovations Private Limited (invested on 21 February 2023)	Associate	Special purpose financial statements Audited by non-peer review auditor – Bansal Gourav & Co	Audited by non-peer review auditor – Bansal Gourav & Co	NA	NA

** Ceased to be subsidiary as on 28 March 2023*
***Subsidiary w.e.f. 01 August 2023*

B S R & Co. LLP
24 November 2023

Annexure II

Entity	**Nature of holding**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Inxon Pens & Stationery Private Limited*	Subsidiary	Refer Annexure I	Refer Annexure I	Special purpose financial statements are audited by M. I. Shah & Co..
Fixy Adhesives Private Limited*	Subsidiary	Refer Annexure I	Refer Annexure I	Special purpose financial statements are audited by M. I. Shah & Co.

Note:
1. M. I. Shah & Co. is a peer reviewed firm

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure I
Restated Consolidated Balance Sheet
(All amounts are in INR millions except per share data or as otherwise stated)

	Note No.	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
ASSETS					
1 Non-Current Assets					
Property, Plant and Equipment	3	3,466.38	2,798.89	1,861.25	1,868.51
Capital Work-in-Progress	3a	22.69	68.91	40.06	30.52
Right of use Assets	4	475.44	381.60	382.01	379.41
Goodwill	5(a)	623.71	20.14	20.14	33.48
Other Intangible Assets	5(b)	1.00	1.45	2.35	5.07
Financial Assets					
- Investment	6(a)	14.14	15.02	-	-
- Other Financial Assets	6(b)	157.28	109.21	106.34	113.99
Deferred Tax Assets (Net)	35	51.20	31.69	11.98	3.00
Other Tax Assets (Net)	7	10.54	2.99	10.64	10.12
Other Non-Current Assets	8	204.32	174.41	93.49	57.54
Total Non-Current Assets (A)		**5,026.70**	**3,604.31**	**2,528.26**	**2,501.64**
2 Current Assets					
Inventories	9	1,986.40	1,846.42	1,591.92	1,207.80
Financial Assets					
- Trade Receivables	10	497.12	356.39	491.62	419.23
- Cash and Cash Equivalents	11	482.31	342.54	92.99	226.71
- Bank Balances other than cash and cash equivalents as above	12	16.42	74.45	64.65	63.40
-Loans	13	7.93	8.11	5.88	4.86
Other Current Assets	14	277.69	165.61	199.29	151.60
Total Current Assets (B)		**3,267.87**	**2,793.52**	**2,446.35**	**2,073.60**
TOTAL ASSETS (A+B)		**8,294.57**	**6,397.83**	**4,974.61**	**4,575.24**
EQUITY & LIABILITIES					
1 Equity					
- Equity Share Capital	15	562.50	3.73	3.73	3.73
- Other Equity	16	3,413.63	3,370.59	2,468.74	2,332.38
Equity attributable to owners of the Company		3,976.13	3,374.32	2,472.47	2,336.11
Non-controlling interest		245.76	179.13	108.47	80.68
Total Equity (C)		**4,221.89**	**3,553.45**	**2,580.94**	**2,416.79**
2 Liabilities					
Non-Current Liabilities					
Financial Liabilities					
- Borrowings	17	855.67	151.55	28.52	28.99
- Lease Liabilities	36	364.61	302.57	293.62	283.15
Provisions	18	119.81	91.29	78.19	59.62
Total Non-Current Liabilities (D)		**1,340.09**	**545.41**	**400.33**	**371.76**
Current Liabilities					
Financial Liabilities					
- Borrowings	19	908.12	849.10	820.52	943.75
- Lease Liabilities	36	115.65	94.82	86.72	80.66
- Trade Payables	20				
Total Outstanding Dues of Micro Enterprises and Small Enterprises; and		55.84	50.63	45.18	34.02
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		888.92	819.22	766.12	534.19
- Other Financial Liabilities	21	302.12	175.15	130.97	131.43
Other Current Liabilities	22	231.32	200.10	77.48	47.96
Provisions	23	76.82	35.93	18.56	10.50
Current Tax Liabilities (Net)	24	153.80	74.02	47.79	4.18
Total Current Liabilities (E)		**2,732.59**	**2,298.97**	**1,993.34**	**1,786.69**
Total Liabilities (D+E)		**4,072.68**	**2,844.38**	**2,393.67**	**2,158.45**
TOTAL EQUITY & LIABILITIES (C+D+E)		**8,294.57**	**6,397.83**	**4,974.61**	**4,575.24**

Note: The above Annexure should be read with significant accounting policies forming part of the Restated Consolidated Financial Information in Annexure V, statement of adjustments to Restated Consolidated Financial Information in Annexure VI and notes to Restated Consolidated Financial Information in Annexure VII.

As per our examination report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No: 105003
Place: Mumbai, India
Date: 24 November 2023

For and on behalf of the Board of Directors of
DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
CIN: U36991GJ2006PLC049275

Santosh Raveshia
Managing Director
DIN: 00147624
Place: Umbergaon, India
Date: 24 November 2023

Sanjay Rajani
Whole-time Director
DIN: 03329095
Place: Umbergaon, India
Date: 24 November 2023

Rahul Shah
Chief Financial Officer
Place: Umbergaon, India
Date: 24 November 2023

Mitesh Padia
Company Secretary
Membership No: A58693
Place: Umbergaon, India
Date: 24 November 2023

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure II
Restated Consolidated Statement of Profit and Loss
(All amounts are in INR millions except per share data or as otherwise stated)

		Note No.	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
I	**Income**					
	Revenue from Operations	25	7,617.98	12,118.90	6,836.01	4,028.17
	Other Income	26	24.17	46.33	26.24	59.71
	Total Income (I)		**7,642.15**	**12,165.23**	**6,862.25**	**4,087.88**
II	**Expenses**					
	Cost of Materials Consumed	27	4,338.28	7,427.37	4,251.36	2,321.45
	Purchase of Stock-in-Trade	28	344.06	261.05	137.15	115.61
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(93.17)	(54.75)	(67.79)	16.39
	Employee Benefits Expense	30	1,025.26	1,417.96	1,014.12	710.63
	Finance Costs	31	78.45	118.80	103.00	88.05
	Depreciation and Amortisation Expense	32	227.86	406.50	380.13	347.69
	Other Expenses	33	729.10	1,200.68	804.04	563.84
	Total Expenses (II)		**6,649.84**	**10,777.61**	**6,622.01**	**4,163.66**
III	**Share of (Loss)/Profit equity accounted investees (net of tax)**		(0.88)	0.01	-	-
IV	**Profit/(Loss) before Tax for the period/year (I -II-III)**		**991.43**	**1,387.63**	**240.24**	**(75.78)**
V	**Tax Expenses**	34				
	Current Tax		266.65	378.53	75.38	24.34
	Deferred Tax (Credit)		(14.28)	(19.61)	(6.54)	(39.86)
			252.37	**358.92**	**68.84**	**(15.52)**
VI	**Profit/(Loss) for the period/year**		**739.06**	**1,028.71**	**171.40**	**(60.26)**
VII	**Other Comprehensive (Loss)/Income**					
	Items that will not be reclassified to Profit or Loss					
	Remeasurements of Post-Employment Benefit Obligations		(15.37)	(0.43)	(9.69)	14.38
	Income Tax Relating to these Items		3.87	0.11	2.44	(3.62)
VIII	**Total Other Comprehensive Income for the period/year**		**(11.50)**	**(0.32)**	**(7.25)**	**10.76**
IX	**Total Comprehensive Income for the period/year (VII+VIII)**		**727.56**	**1,028.39**	**164.15**	**(49.50)**
X	**Profit/(Loss) attributable to :**					
	Owners of the Parent		706.27	958.12	143.61	(90.18)
	Non-Controlling Interest		32.79	70.59	27.79	29.92
	Other comprehensive income/(loss) attributable to :					
	Owners of the Parent		(11.33)	(0.52)	(7.25)	10.76
	Non-Controlling Interest		(0.17)	0.20	-	-
	Total comprehensive income/(loss) attributable to :					
	Owners of the Parent		694.94	957.60	136.36	(79.42)
	Non-Controlling Interest		32.62	70.79	27.79	29.92
XI	**Earnings Per Equity Share (Face Value of Share Rs. 10 Each)**					
	Basic (Rs)	40	**13.14**	**18.29**	**3.05**	**(1.07)**
	Diluted (Rs)		**13.14**	**18.29**	**3.05**	**(1.07)**

Note: The above Annexure should be read with significant accounting policies forming part of the Restated Consolidated Financial Information in Annexure V, statement of adjustments to Restated Consolidated Financial Information in Annexure VI and notes to Restated Consolidated Financial Information in Annexure VII.

As per our examination report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Tarun Kinger
Partner
Membership No: 105003
Place: Mumbai, India
Date: 24 November 2023

For and on behalf of the Board of Directors of
DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
CIN: U36991GJ2006PLC049275

Santosh Raveshia
Managing Director
DIN: 00147624
Place: Umbergaon, India
Date: 24 November 2023

Sanjay Rajani
Whole-time Director
DIN: 03329095
Place: Umbergaon, India
Date: 24 November 2023

Rahul Shah
Chief Financial Officer

Place: Umbergaon, India
Date: 24 November 2023

Mitesh Padia
Company Secretary
Membership No: A58693
Place: Umbergaon, India
Date: 24 November 2023

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure III
Restated Consolidated Statement of Cash Flows
(All amounts are in INR millions except per share data or as otherwise stated)

Particulars	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities				
Profit/(Loss) before tax	991.43	1,387.63	240.24	(75.78)
Adjustments for:				
Depreciation and amortisation expense	227.86	406.50	380.13	347.69
Finance costs	78.45	118.80	102.52	88.02
Interest income	(5.27)	(12.11)	(10.65)	(8.63)
Provision for doubtful debts	-	-	25.13	-
Provisions no longer required written back	(0.02)	(1.05)	(2.09)	(0.04)
Gain on disposal of property plant & equipments (net)	(0.29)	(1.26)	(0.44)	(30.41)
Share of loss equity accounted investees (net of tax)	0.88		-	-
Loss on sale of investment in subsidiary companies	-	0.05	-	-
Impairment Loss on Goodwill	-	-	13.35	-
Unrealised foreign exchange loss/(gain) (net)	18.19	24.98	(0.17)	2.34
Operating cash inflow before working capital changes	**1,311.23**	**1,923.54**	**748.02**	**323.19**
Adjustments for working capital change in:				
-(Increase)/decrease in inventories	(71.75)	(254.50)	(384.12)	68.96
-(Increase)/decrease in trade receivables	(29.79)	134.76	(57.21)	(85.73)
-(Increase)/decrease in other current assets	(105.47)	33.68	(33.93)	(11.36)
-(Increase)/decrease in other financial non-current assets	(38.20)	(2.87)	7.79	(50.87)
-(Increase)/decrease in other non current assets	(2.72)	0.03	0.63	0.82
-Decrease/(increase) in long term advances	0.33	(2.23)	(1.09)	(1.44)
-(Increase) in other financial assets	-	-	(14.37)	(1.09)
-Increase/(decrease) in trade payables	52.74	61.82	210.02	(82.30)
-Increase/(decrease) in other current liabilities	27.17	122.62	29.22	(19.22)
-Increase/(decrease) in short term provisions	24.72	16.94	(1.63)	9.27
-Increase in long term provisions	24.32	13.10	18.56	1.91
-Increase in other financials liabilities	102.38	30.40	19.46	21.98
Net (increase)/decrease in working capital	**(16.27)**	**153.75**	**(206.67)**	**(149.07)**
Cash generated from operations	**1,294.96**	**2,077.29**	**541.35**	**174.12**
Income tax paid (net of refunds)	(213.80)	(344.66)	(31.96)	(21.99)
Net cash flows generated from operating activities (A)	**1,081.16**	**1,732.63**	**509.39**	**152.13**
Cash flow from investing activities				
Purchase of property, plant and equipment (including CWIP and capital advances)(net)	(634.53)	(1,362.91)	(348.93)	(230.18)
Proceeds from sale of property plant & equipments	0.46	8.47	2.42	66.13
Investment in subsidiary, net of cash	(705.10)	-	-	(0.15)
Investment in associates	(7.51)	(7.51)	-	
Proceeds/(investment) in fixed deposits	58.03	(9.80)	(1.40)	(31.92)
Proceeds from sale of investment in subsidiary companies	-	0.30	-	
Interest received	5.27	12.11	10.65	8.63
Net cash flows (used in) investing activities (B)	**(1,283.38)**	**(1,359.34)**	**(337.26)**	**(187.49)**
Cash flow from financing activities				
Dividend paid	(93.13)	(55.88)	-	-
Proceeds from share issue	-	-	-	0.23
Proceeds of long term borrowings	571.40	162.64	21.34	15.11
Repayments of long term borrowings	(20.90)	(22.73)	(23.05)	(22.32)
Proceeds of short term borrowings	176.91	51.13	41.19	408.47
Repayments of short term borrowings	(164.37)	(45.44)	(155.85)	(17.20)
Payment of lease liabilities	(62.59)	(73.59)	(79.17)	(50.81)
Finance cost paid - Lease liabilities	(16.68)	(32.03)	(31.25)	(20.98)
Finance cost paid	(48.65)	(107.84)	(79.06)	(63.21)
Net cash flows generated/(used in) from financing activities (C)	**341.99**	**(123.74)**	**(305.85)**	**249.27**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**139.77**	**249.55**	**(133.72)**	**213.91**
Cash and cash equivalents at beginning of the period/year	342.54	92.99	226.71	12.80
Cash and cash equivalents at end of the period/year (Refer note 11)	482.31	342.54	92.99	226.71
Net increase/(decrease) in cash and cash equivalents	**139.77**	**249.55**	**(133.72)**	**213.91**

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure III
Restated Consolidated Statement of Cash Flows
(All amounts are in INR millions except per share data or as otherwise stated)

Notes:

i) The above restated consolidated cash flow from operating activities has been prepared using indirect method as setout in Ind AS- 7 Cash Flow Statements as prescribed under section 133 of the Companies Act, 2013 read with rules.

ii) **Break of Cash and cash equivalents at the end of the period/year :-**

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Cash on hand	2.56	2.25	1.01	1.29
Balances with banks:				
-in current accounts	362.92	238.04	69.85	217.02
-in Exchange Earners Foreign Currency (EEFC) accounts	116.83	102.25	22.13	8.40
	482.31	**342.54**	**92.99**	**226.71**

iii) **Change in liabilities arising from financing activities**

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance				
Term loans	151.55	28.52	28.99	35.20
Current borrowings	849.10	820.52	943.75	551.66
Cash flows				
Cash flow changes non current borrowings (net)	550.50	123.03	(0.47)	(6.21)
Cash flow changes current borrowings (net)	12.54	1.50	(129.26)	393.63
Non Cash Changes - Other adjustments non current borrowings	153.62	-	-	-
Non Cash Changes - Other adjustments current borrowings	46.48	27.07	6.03	(1.53)
Net cash flow changes	**1,763.79**	**1,000.64**	**849.04**	**972.75**
Closing balance				
Term loans	**855.67**	**151.55**	**28.52**	**28.99**
Current borrowings	**908.12**	**849.10**	**820.52**	**943.75**
The following is the movement in lease liabilities (refer note 36)				
Opening balance	**397.37**	**380.32**	**363.80**	262.19
Cash flow changes	(62.59)	(73.59)	(79.17)	(50.81)
Non Cash Changes - Other adjustments current borrowings	145.48	90.64	95.69	152.42
Closing balance	**480.26**	**397.37**	**380.32**	**363.80**

Note: The above Annexure should be read with significant accounting policies forming part of the Restated Consolidated Financial Information in Annexure V, statement of adjustments to Restated Consolidated Financial Information in Annexure VI and notes to Restated Consolidated Financial Information in Annexure VII.

As per our examination report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
DOMS Industries Limited **(formerly known as DOMS Industries Private Limited)**
CIN: U36991GJ2006PLC049275

Tarun Kinger
Partner
Membership No: 105003
Place: Mumbai, India
Date: 24 November 2023

Santosh Raveshia
Managing Director
DIN: 00147624
Place: Umbergaon, India
Date: 24 November 2023

Sanjay Rajani
Whole-time Director
DIN: 03329095
Place: Umbergaon, India
Date: 24 November 2023

Rahul Shah
Chief Financial Officer

Place: Umbergaon, India
Date: 24 November 2023

Mitesh Padia
Company Secretary
Membership No: A58693
Place: Umbergaon, India
Date: 24 November 2023

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure IV
Restated Consolidated Statement of Changes In Equity
(All amounts are in INR millions except per share data or as otherwise stated)

A. Equity Share Capital

Particulars	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
ISSUED, SUBSCRIBED AND PAID UP CAPITAL				
Equity Shares of Rs 10/- each fully paid up				
No of Shares	5,62,50,218	3,72,518	3,72,518	3,72,518
Balance at the beginning of the period/year (Rupees in millions)	3.73	3.73	3.73	3.73
Issue of bonus shares (refer note 15)	558.77	-	-	-
Balance at the end of the period/year (Rupees in millions)	**562.50**	**3.73**	**3.73**	**3.73**

B. Other Equity

Particulars	Reserves & Surplus		Total attributable to owners of the Company	Non Controlling Interest	Total
	Securities Premium	Retained Earnings			
Restated Balance at 1 April 2020	**860.49**	**1,551.31**	**2,411.80**	**50.68**	**2,462.48**
Total Comprehensive Income for the year (net of tax)					
Restated (Loss) for the year	-	(90.18)	(90.18)	29.92	(60.26)
Other Comprehensive Income for the year (net of tax)	-	10.76	10.76	-	10.76
Equity attributable to owners of the Company -Non Controlling Interest	-	-	-	0.08	0.08
Restated Balance at 31 March 2021	**860.49**	**1,471.89**	**2,332.38**	**80.68**	**2,413.06**
Total Comprehensive Income for the year (net of tax)					
Restated Profit for the year	-	143.61	143.61	27.79	171.40
Other Comprehensive Income for the year (net of tax)	-	(7.25)	(7.25)	-	(7.25)
Restated Balance at 31 March 2022	**860.49**	**1,608.25**	**2,468.74**	**108.47**	**2,577.21**
Total Comprehensive Income for the year (net of tax)					
Restated Profit for the year	-	958.12	958.12	70.59	1,028.71
Other Comprehensive Income for the year (net of tax)	-	(0.52)	(0.52)	0.20	(0.32)
Dividends	-	(55.88)	(55.88)	-	(55.88)
Derecognition of share in subsidiary companies (refer note 48)	-	0.13	0.13	(0.13)	-
Restated Balance at 31 March 2023	**860.49**	**2,510.10**	**3,370.59**	**179.13**	**3,549.72**
Total Comprehensive Income for the period (net of tax)					
Restated Profit for the period	-	706.27	706.27	32.79	739.06
Other Comprehensive Income for the period (net of tax)	-	(11.33)	(11.33)	(0.17)	(11.50)
Acquisition through business combinations (refer note no. 50)	-	-	-	34.01	34.01
Dividends	-	(93.13)	(93.13)	-	(93.13)
Issue of bonus shares (refer note 15)	(558.77)	-	(558.77)	-	(558.77)
Restated Balance at 30 September 2023	**301.72**	**3,111.91**	**3,413.63**	**245.76**	**3,659.39**

As per our examination report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
CIN: U36991GJ2006PLC049275

Tarun Kinger
Partner
Membership No: 105003
Place: Mumbai, India
Date: 24 November 2023

Santosh Raveshia
Managing Director
DIN: 00147624
Place: Umbergaon, India
Date: 24 November 2023

Sanjay Rajani
Whole-time Director
DIN: 03329095
Place: Umbergaon, India
Date: 24 November 2023

Rahul Shah
Chief Financial Officer

Place: Umbergaon, India
Date: 24 November 2023

Mitesh Padia
Company Secretary
Membership No: A58693
Place: Umbergaon, India
Date: 24 November 2023

(All amounts are in INR millions except per share data or as otherwise stated)

1 Group Overview

DOMS Industries Limited (formerly known as Doms Industries Private Limited) ('DIL' or 'the Company' or 'the holding Company') has its registered office at J-19, G.I.D.C, Umbergaon, Gujarat 396171. The Company was incorporated on 24 October 2006 under erstwhile Companies Act, 1956, On 21 April 2017, the company changed its name from Writefine Products Private Limited to DOMS Industries Private Limited and thereafter, the name of the Company was changed to "DOMS Industries Limited" and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on 3 August 2023.

The Restated Consolidated Financial Information comprise the restated consolidated financial information of the Holding Company and its subsidiaries (referred to collectively as the "Group")and its associate for the period ended 30 September 2023 and year ended 31 March 2021, 31 March 2022 and 31 March 2023.

DIL and its Subsidiaries ("the Group") and its associate, are primarily engaged in manufacturing, marketing, trading and distribution of school stationery and art materials under the brand names "DOMS" and "C3". The Group has market presence in India and internationally. The Group has its manufacturing facilities located at Umbergaon, Gujarat and Bari Brahma, Jammu & Kashmir.

Subsidiaries

Name of Entity	Place of business	% of effective ownership interest held by the Group			
		30 September 2023	31 March 2023	31 March 2022	31 March 2021
Pioneer Stationery Private Limited	India	51.00%	51.00%	51.00%	51.00%
Micro Wood Private Limited*	India	75.00%	-	-	-
Uniwrite Pens and Plastics Private Limited**	India	-	-	60.00%	60.00%
Inxon Pens & Stationery Private Limited**	India	-	-	51.00%	51.00%
Fixy Adhesives Private Limited **	India	-	-	78.46%	78.46%

** Subsidiary with effect from 1 August 2023*
***Cease to be subsidiaries with effect from 28 March 2023*

Associate

Name of Entity	Place of business	% of effective ownership interest held by the Group			
		30 September 2023	31 March 2023	31 March 2022	31 March 2021
Clapjoy Innovations Private Limited#	India	30.00%	30.00%	-	-

#From 21 February 2023

2(i) Significant accounting policies

(a) Basis of preparation

(i) Statement of compliance

The Restated Consolidated Financial Information of the Group and its associate comprise the Restated Consolidated Balance Sheet as at 30 September 2023, 31 March 2023, 31 March 2022, 31 March 2021; the related Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, and the Restated Consolidated Statement of Cash Flows for the six months period ended 30 September 2023 and year ended 31 March 2023, 31 March 2022 and 31 March 2021 and the Significant accounting policies and Restated Consolidated Other Financial Information (together referred to as 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

The Restated Consolidated financial information complies in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Red Herring Prospectus and Prospectus in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- 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").
- E-mail dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India, instructing lead managers to ensure 'that companies provide financial statements prepared in accordance with Indian Accounting Standards (Ind AS) for all the three years and stub period (hereinafter referred to as the "the SEBI e-mail").

The Restated Consolidated Financial Information has been compiled by the Group from:

Audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for six months period ended 30 September 2023 prepared in accordance with presentation and disclosure principles under Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 24 November 2023.

Audited consolidated financial statements of the Group as at and for the years ended 31 March 2023 and 31 March 2022 prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 10 July 2023 and 28 September 2022 respectively.

Audited Special Purpose Consolidated financial statements for the year ended 31 March 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 17 August 2023.

-Further, there were no changes in accounting policies during the period/year of these Financial Statements (Refer Annexure VI - "Statement of adjustments to restated consolidated financial information");

-there were no material amounts which have been adjusted for, in arriving at profit / loss of the respective periods; and

-there were no material adjustments for reclassifications of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with groupings as per the special purpose consolidated interim financial statements of the Group and its associate as at and for the six months period ended 30 September 2023 and the requirements of SEBI regulations.

The Restated Consolidated Financial Information for the for the six months period ended 30 September 2023 and year ended 31 March 2023, 31 March 2022 and 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 24 November 2023.

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

(ii) Basis of Measurement

The Restated Consolidated Financial Information of the Group and its associate have been prepared in compliance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The Restated Consolidated Financial Information have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard where a change in accounting policy hitherto in use.

The Restated Consolidated Financial Information have been prepared under the historical cost convention except for certain financial instruments measured at fair value as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition.

(b) Current vs non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(c) Basis of Consolidation

(i) Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these Restated Consolidated Financial Information from the date that control commences until the date that control ceases.

Restated Consolidated Financial Information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of the Restated Consolidated Financial Information are consistent with those of previous year. Restated Consolidated Financial Information of the Group have been combined on a line-by-line basis by adding together the values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses, unless cost/revenue cannot be recovered.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the Restated Consolidated Financial Information. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. Where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the Restated Consolidated Financial Information.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiaries is made; and

(b) The non-controlling interests share of movements in equity since the date parent subsidiaries relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Statement of Profit and Loss and Statement of Changes in Equity.

(c) Basis of Consolidation (continued)

(i) Subsidiaries (continued)

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiaries, any non-controlling interests and the other components of equity related to the subsidiaries. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of Profit & Loss. If the Group retains any interest in the previous subsidiaries, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Statement of Profit or Loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

(ii) Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest (“NCI”) is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to Statement of changes in equity that is attributable to the parent Group. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these Restated Consolidated Financial Information. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee.

(iv) Equity - accounted investee (Associate)

The group’s interest in equity in investees comprise interests in associates. An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the Restated Consolidated Financial Information include the groups share of profit or loss and OCI of equity accounted investee until the date on which significant influence ceases.

(d) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, packing material are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, moving weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(e) Revenue recognition

i. Revenue from sale of goods

Revenue represents amounts received and receivable from third parties and related parties for goods supplied to the customers. The Group recognizes revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, rebates, scheme allowances, incentives, and returns, if any. Revenue excludes taxes collected from customers on behalf of the Government. Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

A liability is recognised where payments are received from customers before transferring control of the goods being sold.

Contract assets

Contract assets are recognised for advance given towards supply of goods. On successful acceptance of goods and services, the amounts is recognised as contract assets.

Contract Liabilities

Contract liabilities include advances received towards supply of goods and services. The outstanding balances of these accounts are adjusted upon revenue recognition against the advance from customers received.

ii. Rendering of services

Income from services are recognized as point in time.

(f) Interest income

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset’s net carrying amount on initial recognition.

(All amounts are in INR millions except per share data or as otherwise stated)

(g) Property, plant and equipment

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable taxes (net of GST), after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) borrowing costs for long-term construction projects if the recognition criteria are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, if any, over their estimated useful lives using the straight line method in the manner and at the rates prescribed by Part 'C' of Schedule II of the Act, except as stated below. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use / disposed off.

The estimated useful lives of assets are as follows :

Asset category	Useful lives estimated by the management	Useful lives as per Schedule II of Companies Act, 2013
Buildings	25 years	30 years
Roads	10 years	10 years
Plant & Equipment	8.7 years	15 years
Electrical installation	2.5 years	10 years
Furniture & Fittings	5 years	10 years
Vehicles	4 years	8 years
Office equipments	8.3 years	5 years
Computers (including servers and accessories)	5 years	3-6 years

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Company uses its technical expertise along with historical and industry trends for arriving at the economic life of an asset.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.
The cost and related accumulated depreciation are eliminated from the Restated Consolidated Financial Information upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the restated consolidated statement of profit and loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at April 1, 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment. The Holding Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2020 while preparing the Restated Consolidated Financial Information for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

Capital work in progress and Capital advances

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

(All amounts are in INR millions except per share data or as otherwise stated)

(h) Intangible assets and amortisation

Intangible assets comprise application software purchased / developed and trademark. These are amortised using the straight line method over a period of the software license, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.
Amortization methods and useful lives are reviewed periodically including at each financial year end.
The useful lives of intangible assets are as mentioned below:

Asset category	Useful lives estimated by the management
Trademark	10 years
Software	3 years

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the restated consolidated statement of profit and loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of all the items of Intangible assets recognized as at April 1, 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets. The Holding Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2020 while preparing the Restated Consolidated Financial Information for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

(i) Business Combinations

The Company accounts for its business combinations under acquisition method of accounting under the provisions of IND AS 103, Business Combinations. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve. The interest of non-controlling shareholders (if any) is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries. Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

(j) Financial instruments

Financial instruments (assets and liabilities) are recognised when the Group becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification

The Group classifies financial assets as subsequently measured at amortized cost on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Debt instruments

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit and loss.

Equity Instruments measured at FVTOCI or FVTPL

All equity investments in scope of Ind-AS 109 are measured at Fair Value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss statement.

Equity instruments measured at Cost

Equity instruments / Investments in subsidiaries / Joint Ventures / Associates are accounted at cost in accordance with Ind AS 27 - Separate Financial Statements.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss ('ECL') model for recognition and measurement of impairment loss on the following financial assets and credit risk exposure:

a) Trade receivables
b) Financial assets that are debt instruments, and are measured at amortized cost e.g. deposits and bank balance

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Group assume the credit risk on financial assets increased significantly if it is more than 3 year past due.

Group considered a financial assets to be in default when :
the debtor is unlikely to pay its credit obligations to Group in full, without recourse by the Group to actions such as realising security (if any held) or -the financial assets is more than 3 year past due.

ECL allowance recognised (or reversed) during the period is recognised as income/ expense in the Consolidated Statement of Profit and Loss under the head 'Other expenses'.

ii. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings.

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost.

Subsequent measurement Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(k) Employee benefits

i. Short-term employee benefits are expensed as the related service is provided. A liability is recognised on an undiscounted basis for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Compensated absences are recognised when the employees render service that increase their entitlement to future compensated absences. As per the policy of the Group, employees are entitled to encash leave subject to a maximum of 30 days. Compensated absences have been provided for based on outstanding leave balance and employee's basic pay. Compensated absences are payable wholly within twelve months of rendering the service and are classified as short-term employee benefits.

iii. A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Defined benefit plans - The Group's net obligation in respect of defined benefit plans is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to the retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. Termination benefits : termination benefits are expensed at earlier of when the Group can no longer withdraw the offer of those benefits and when the group recognises costs of a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(l) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

(m) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(n) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

i. Commencement of capitalisation

Capitalisation of borrowing cost as part of the cost of a qualifying asset shall begin on the commencement date. The commencement date for capitalisation is the date when the entity first meets all of the following conditions:

a. it incurs expenditures for the asset;
b. it incurs borrowing costs; and
c. it undertakes activities that are necessary to prepare the asset for its intended use or sale.

ii. Cessation of capitalisation

Cessation of capitalisation shall happen when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

(o) Leases

Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense in the Statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
• Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
• Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
• The amount expected to be payable by the lessee under residual value guarantees;
• The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
• Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the financial statement. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

• The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

• The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

• A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time. The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs, less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right of- use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate lease and non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient and has recognised single ROU for entire lease and non-lease components.

(p) Cash and cash equivalents

Cash and cash equivalents includes cash-in-hand and demand deposit with banks with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(q) Provisions, contingent liabilities and contingent assets

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value, unless the time value of money is material.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent assets are not recognised in the financial assets. However, the same is considered when the realisation is certain and it is no longer considered contingent. The asset is recognised in the period in which the change from contingent asset to asset occurs.

(r) Functional and presentation currency

The Restated Consolidated Financial Information are presented in INR which is our Company's functional currency. All amounts have been rounded-off to the nearest millions and decimals thereof, unless otherwise mentioned.

(s) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted as at the reporting date.

Current tax assets and liabilities are offset only if:

a) there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and

b) there is intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore in case of history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary difference or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only if the entity has a legal enforceable right to set off current tax assets / liabilities and they relate to income taxes levied by the same taxation authority on the same taxable entity.

(t) Earnings per share (EPS)

Basic earnings per share (EPS) is computed by dividing the profit after tax or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all the dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity would decrease the net profit per share from continuing ordinary operations.

(u) Government Grants, subsidies and export incentives

Government grants and subsidies are accounted when there is reasonable assurance that the Group will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognised in the Statement of Profit and Loss. Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

(v) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). Identification of segments : In accordance with Ind As 108 "operating segment", the operating segment used to present segment information reviewed by CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the group that engages in the business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the group's other components.

(w) Dividend

The Group recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Group on or before the end of the reporting period. As per Corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(x) Standards issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Restated Consolidated Financial Information is required to be disclosed.

(y) Events after reporting date

Where events occur after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the Restated Consolidated Financial Information. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2(ii) Key estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

Judgement

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material

• Useful lives of property, plant and equipment (including right of use assets) and intangible assets (Note 3)
• Definition of lease, lease term and discount rate for the calculation of lease liability (Note 36)

Assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:-

• Useful lives of property, plant and equipment (including right of use assets) and intangible assets (Note 3)
• Impairment of Goodwill and other Intangible Assets (Note 5)
• Identifying performance obligations under contracts with customer (Note 45)
• Timing of revenue recognition under contracts with customers (Note 45)
• Measurement of Defined Benefit Obligations (Note 41)
• Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources (Note 37)
• Provision for Expected credit losses (Note 11)
• Recognition of deferred tax assets (Note 35)
• Definition of lease, lease term and discount rate for the calculation of lease liability (Note 36)

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure VI
Notes to Restated Consolidated Financial Information
(All amounts are in INR millions except per share data or as otherwise stated)

Statement of adjustments to restated consolidated financial information

Part A: Statement of adjustments to restated consolidated financial information

Reconciliation between audited equity and restated equity

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Total equity (as per audited Financial statements)	**4,221.89**	**3,553.45**	**2,580.94**	**2,416.79**
Adjustments				
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total adjustments (i + ii + iii)	-	-	-	-
Total Equity as per restated consolidated summary statement of assets and liabilities	**4,221.89**	**3,553.45**	**2,580.94**	**2,416.79**

Reconciliation between audited profit and restated profit

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Profit/(Loss) after Tax (as per audited Financial statements)	**739.06**	**1,028.71**	**171.40**	**(60.26)**
Restatement adjustments				
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total adjustments (i + ii + iii)	-	-	-	-
Restated Profit/(Loss) after Tax	**739.06**	**1,028.71**	**171.40**	**(60.26)**

Material regrouping: None
There have been no re-groupings required to be made in the Restated Consolidated Balance Sheet, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Group respectively prepared in accordance with amended Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

Part B: Non-Adjusting events

Qualifications in Auditors' Report, which do not require any corrective adjustments in the Restated consolidated Financial Information
There are no audit qualification, matter of emphasis in auditor's report or in the report of internal financial control for the financial year ended 31 March 2023, 31 March 2022 and 31 March 2021. There are no audit qualification in auditors' report for the six months period ended 30 September 2023.

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020/ the Companies (Auditor's Report) Order, 2016 (together "the CARO") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the financial statements as at and for the financial years ended 31 March 2023, 31 March 2022 and 31 March 2021 respectively. Certain statements/comments included in the CARO in the consolidated financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the consolidated financial statements presented.

Financial year 2022-2023

Clause (vii)(a) of CARO 2016 order
The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, considering the principles of materiality outlined in Standards on Auditing, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

Clause (vii)(b) of CARO 2016 order
According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	2.55	AY 2018-2019	Commissioner of Income tax (Appeals)

Financial year 2021-2022

Clause (vii)(a) of CARO 2016 order
The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

Clause (vii)(b) of CARO 2016 order
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax, which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	2.55	AY 2018-2019	Commissioner of Income tax (Appeals)

Financial year 2020-2021

There are no statements/comments included in the CARO in the consolidated financial statements for the year ended 31 March 2021.

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure VII
Notes to Restated Consolidated Financial Information
(All amounts are in INR millions except per share data or as otherwise stated)

3 Property, Plant and Equipment

	Leasehold Land	Freehold Land	Roads	Building	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross carrying amount											
Deemed Cost as at 1 April 2020	**61.89**	**88.23**	**4.41**	**500.92**	**1,194.14**	**35.20**	**13.83**	**4.82**	**10.89**	**5.47**	**1,919.82**
Additions during the year	-	-	-	20.54	230.22	3.58	2.86	3.58	3.09	0.80	264.67
Disposals during the year	-	-	-	23.36	17.13	-	0.25	0.05	0.16	0.17	41.14
Balance as at 31 March 2021	**61.89**	**88.23**	**4.41**	**498.10**	**1,407.23**	**38.78**	**16.44**	**8.35**	**13.83**	**6.10**	**2,143.35**
Additions during the year	-	-	-	9.36	215.98	41.96	9.51	2.93	1.85	1.17	282.76
Disposals during the year	-	-	-	-	2.54	-	-	-	-	-	2.54
Balance as at 31 March 2022	**61.89**	**88.23**	**4.41**	**507.46**	**1,620.67**	**80.74**	**25.95**	**11.28**	**15.67**	**7.27**	**2,423.57**
Additions during the year	-	697.22	26.52	12.83	507.84	8.20	2.22	-	2.50	2.07	1,259.40
Disposals during the year	-	-	-	0.22	14.37	0.01	0.03	-	0.04	0.04	14.71
Balance as at 31 March 2023	**61.89**	**785.45**	**30.93**	**520.07**	**2,114.15**	**88.92**	**28.15**	**11.28**	**18.13**	**9.29**	**3,668.26**
Acquisition through business combinations (refer note no. 50)	-	-	-	-	177.47	7.60	5.10	9.93	1.24	0.27	**201.61**
Additions during the period	5.54	38.44	-	157.59	452.96	19.66	11.85	-	0.66	1.19	**687.89**
Disposals during the period	-	-	-	-	3.16	-	-	0.79	-	-	**3.96**
Balance as at 30 September 2023	**67.43**	**823.89**	**30.93**	**677.66**	**2,741.42**	**116.18**	**45.10**	**20.42**	**20.03**	**10.76**	**4,553.80**
Accumulated Depreciation											
Accumulated Depreciation as at 1 April 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	-	-	0.61	24.38	225.21	18.13	4.56	3.63	2.13	1.80	280.45
Disposals during the year	-	-	-	0.65	4.85	-	0.03	0.01	0.04	0.03	5.63
Balance as at 31 March 2021	**-**	**-**	**0.61**	**23.73**	**220.35**	**18.13**	**4.53**	**3.63**	**2.09**	**1.77**	**274.84**
Depreciation for the year	-	-	0.61	24.30	230.46	21.56	4.98	2.10	2.27	1.76	288.04
Disposals during the year	-	-	-	-	0.56	-	-	-	-	-	0.56
Balance as at 31 March 2022	**-**	**-**	**1.21**	**48.03**	**450.26**	**39.68**	**9.51**	**5.73**	**4.36**	**3.54**	**562.32**
Depreciation for the year	-	-	1.94	24.72	256.46	20.01	5.34	1.90	2.49	1.69	314.55
Disposals during the year	-	-	-	0.03	7.38	0.01	0.02	-	0.02	0.04	7.50
Balance as at 31 March 2023	**-**	**-**	**3.15**	**72.72**	**699.34**	**59.69**	**14.82**	**7.63**	**6.83**	**5.19**	**869.37**
Acquisition through business combinations (refer note no. 50)	-	-	-	-	36.28	4.99	1.39	1.50	0.21	0.08	**44.45**
Depreciation for the period	-	-	1.63	12.54	146.59	10.62	2.72	1.24	1.28	0.77	**177.39**
Disposals during the period	-	-	-	-	3.00	-	-	0.79	-	-	**3.79**
Balance as at 30 September 2023	**-**	**-**	**4.78**	**85.26**	**879.21**	**75.30**	**18.94**	**9.58**	**8.32**	**6.03**	**1,087.42**
Net carrying amount as at 31 March 2021	**61.89**	**88.23**	**3.81**	**474.37**	**1,186.88**	**20.65**	**11.91**	**4.72**	**11.74**	**4.32**	**1,868.51**
Net carrying amount as at 31 March 2022	**61.89**	**88.23**	**3.20**	**459.43**	**1,170.41**	**41.06**	**16.44**	**5.55**	**11.31**	**3.73**	**1,861.25**
Net carrying amount as at 31 March 2023	**61.89**	**785.45**	**27.78**	**447.36**	**1,414.81**	**29.23**	**13.32**	**3.65**	**11.30**	**4.10**	**2,798.89**
Net carrying amount as at 30 September 2023	**67.43**	**823.89**	**26.15**	**592.41**	**1,862.21**	**40.88**	**26.16**	**10.84**	**11.71**	**4.73**	**3,466.38**

Notes

i) The Group does not have any immovable property whose title deeds are not held in the name of the Group except those held under lease arrangements for which lease agreements are duly executed in the favour of the Group.

ii) The Group has mortgaged and hypothecated property, plant and equipment with a carrying amount of Rs. 2,324.29 million (31 March 2023: Rs. 1,788.01 million, 31 March 2022: Rs. 1,593.93 million, 31 March 2021: Rs. 1,618.68 million) against the term loan (Refer note 17).

iii) On transition to Ind AS (i.e. 1 April 2020), the Group has elected to continue with the carrying value of all Property, Plant and Equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, Plant and Equipment.

(All amounts are in INR millions except per share data or as otherwise stated)

Deemed cost as on 1 April 2020

	Leasehold Land	Freehold Land	Roads	Building	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Carrying value as on 1 April 2020	61.89	88.23	5.57	619.60	1,939.93	116.45	41.27	18.13	17.07	13.79	2,921.93
Accumulated Depreciation as on 31 March 2020	-	-	1.15	118.68	745.79	81.25	27.43	13.31	6.18	8.32	1,002.11
Net Block treated as Deemed cost upon transition	**61.89**	**88.23**	**4.41**	**500.92**	**1,194.14**	**35.20**	**13.83**	**4.82**	**10.89**	**5.47**	**1,919.82**

3a Capital Work-in-Progress Movement

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Opening Capital Work-in-Progress	68.91	40.06	30.52	5.58
Acquisition through business combinations (refer note no. 50)	3.36	-	-	-
Add: Additions during the year	594.33	1,288.25	259.26	257.63
Less: Capitalised during the year	(643.91)	(1,259.40)	(249.72)	(232.69)
Closing Capital Work-in-Progress	**22.69**	**68.91**	**40.06**	**30.52**

Capital Work-in-Progress Ageing Schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress as at 30 September 2023	**22.69**	**-**	**-**	**-**	**22.69**
Temporarily suspended	-	-	-	-	-
Projects in Progress as at 31 March 2023	**68.91**	**-**	**-**	**-**	**68.91**
Temporarily suspended	-	-	-	-	-
Projects in Progress as at 31 March 2022	**40.06**	**-**	**-**	**-**	**40.06**
Temporarily suspended	-	-	-	-	-
Projects in Progress as at 31 March 2021	**30.52**	**-**	**-**	**-**	**30.52**
Temporarily suspended	-	-	-	-	-

Notes

i) The Group does not have any Assets under Capital Work-in-Progress whose completion is overdue or whose costs have exceeded its original plan.

(All amounts are in INR millions except per share data or as otherwise stated)

4 Right of use Assets recognised under Ind AS 116 Leases

	Building
Gross carrying amount	
Balance as at 1 April 2020	**290.76**
Additions during the year	151.88
Disposals during the year	-
Balance as at 31 March 2021	**442.64**
Additions during the year	94.71
Disposals during the year	(5.16)
Balance as at 31 March 2022	**532.19**
Additions during the year	92.81
Disposals during the year	(5.80)
Balance as at 31 March 2023	**619.20**
Acquisition through business combinations (refer note no. 50)	63.37
Additions during the period	97.23
Disposals during the period	-
Balance as at 30 September 2023	**779.80**
Accumulated depreciation	
Accumulated depreciation as at 1 April 2020	-
Depreciation for the year	63.23
Disposals during the year	-
Balance as at 31 March 2021	**63.23**
Depreciation for the year	89.15
Disposals during the year	(2.21)
Balance as at 31 March 2022	**150.17**
Depreciation for the year	91.05
Disposals during the year	(3.62)
Balance as at 31 March 2023	**237.60**
Acquisition through business combinations (refer note no. 50)	16.74
Depreciation for the period	50.02
Disposals during the period	-
Balance as at 30 September 2023	**304.36**
Net carrying amount as at 31 March 2021	**379.41**
Net carrying amount as at 31 March 2022	**382.01**
Net carrying amount as at 31 March 2023	**381.60**
Net carrying amount as at 30 September 2023	**475.44**

5(a) Goodwill

	Goodwill
Gross carrying amount	
Deemed Cost as at 1 April 2020	**33.48**
Additions during the year	-
Balance as at 1 April 2021	**33.48**
Additions during the year	-
Balance as at 31 March 2022	**33.48**
Additions during the year	-
Balance as at 31 March 2023	**33.48**
Acquisition through business combinations (refer note no. 50)	603.58
Balance as at 30 September 2023	**637.06**
Accumulated amortisation & Impairment Loss	
Accumulated amortisation as at 1 April 2020	**-**
Additions during the year	-
Balance as at 1 April 2021	**-**
Additions during the year	-
Impairment Loss*	13.35
Balance as at 31 March 2022	**13.35**
Additions during the year	-
Balance as at 31 March 2023	**13.35**
Additions during the period	-
Balance as at 30 September 2023	**13.35**
Net carrying amount as at 31 March 2021	**33.48**
Net carrying amount as at 31 March 2022	**20.14**
Net carrying amount as at 31 March 2023	**20.14**
Net carrying amount as at 30 September 2023	**623.71**

(All amounts are in INR millions except per share data or as otherwise stated)

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
5(a)	**Goodwill**				
	Micro Wood Private Limited	603.58	-	-	-
	Pioneer Stationery Private Limited	20.14	20.14	20.14	20.14
	Uniwrite Pens and Plastics Private Limited*	-	-	-	13.34
	Total	**623.71**	**20.14**	**20.14**	**33.48**

Goodwill Impairment

Goodwill is tested for impairment annually and whenever there is an indication that the CGU to which the goodwill has been allocated may be impaired. The recoverable amount of the cash generating unit was determined based on value in use. Value in use was determined based on future cash flows, which requires use of assumptions such as growth in the sales, gross margin and operating income margin.

The assumptions are build basis the group’s past experience, the existing economic conditions and trends, estimated future growth rates and anticipated future economic conditions . None of the key assumptions are sensitive to any of the CGU’s recoverable amount.

An analysis of the sensitivity of the computation to a change in key assumptions (operating margin, discount rates and long-term average growth rate), based on any reasonable change, company identifies any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

The estimated value-in-use of the CGU is based on the future cash flows using estimated long-term average growth rate of 5% and discount rate is considered 15% p.a..

*During the year ended 31 March 2022, Group has recognised impairment loss based on recoverable amount of cash-generating unit (CGU) (Uniwrite Pens and Plastics Private Limited). The recoverable amount was estimated based on its value in use. Impairment loss on goodwill is included in the Statement of Profit and Loss under "Other expenses"

5(b) Other Intangible Assets

	Trademarks	Software	Total
Gross carrying amount			
Deemed Cost as at 1 April 2020	**5.56**	**2.56**	**8.12**
Additions during the year	-	0.96	0.96
Disposals during the year	-	-	-
Balance as at 31 March 2021	**5.56**	**3.52**	**9.08**
Additions during the year	0.03	0.19	0.22
Disposals during the year	-	-	-
Balance as at 31 March 2022	**5.59**	**3.71**	**9.30**
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31 March 2023	**5.59**	**3.71**	**9.30**
Acquisition through business combinations (refer note no. 50)	-	0.03	0.03
Additions during the period	-	-	-
Disposals during the period	-	-	-
Balance as at 30 September 2023	**5.59**	**3.74**	**9.33**
Accumulated amortisation			
Accumulated amortisation as at 1 April 2020	-	-	-
Amoritsation for the year	2.96	1.05	4.01
Disposals during the year	-	-	-
Balance as at 31 March 2021	**2.96**	**1.05**	**4.01**
Amoritsation for the year	2.00	0.94	2.94
Disposals during the year	-	-	-
Balance as at 31 March 2022	**4.96**	**1.99**	**6.95**
Amoritsation for the year	0.08	0.82	0.90
Disposals during the year	-	-	-
Balance as at 31 March 2023	**5.04**	**2.81**	**7.85**
Acquisition through business combinations (refer note no. 50)	-	0.03	0.03
Amoritsation for the period	0.04	0.41	0.45
Disposals during the period	-	-	-
Balance as at 30 September 2023	**5.08**	**3.25**	**8.33**
Net carrying amount as at 31 March 2021	**2.60**	**2.47**	**5.07**
Net carrying amount as at 31 March 2022	**0.63**	**1.72**	**2.35**
Net carrying amount as at 31 March 2023	**0.55**	**0.90**	**1.45**
Net carrying amount as at 30 September 2023	**0.51**	**0.49**	**1.00**

Note

On transition to Ind AS (i.e.1 April 2020), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

Deemed cost as on 1 April 2020

Particulars	Trademarks	Software
Gross Carrying value as on 1 April 2020	29.60	25.06
Accumulated Amortisation as on 31 March 2020	24.03	22.50
Net Block treated as Deemed cost upon transition	**5.56**	**2.56**

(All amounts are in INR millions except per share data or as otherwise stated)

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
6	**Financial Assets**				
6(a)	**Investments**				
	Investment in Unquoted Equity Shares of Associate Company				
	Clapjoy Innovations Private Limited	15.01	15.01	-	-
	51,414 (31 March 2023: 51,414 , 31 March 2022: Nil, 31 March 2021: Nil) Equity Shares of Rs.10 each paid up(refer note (i) below)				
	Less: Share of net loss of equity accounted investees (net of income tax) from date of acquisition (Refer note 49)	(0.87)	0.01		
		14.14	**15.02**	**-**	**-**
	Aggregate book value of Unquoted Investments	**14.14**	**15.02**	-	-

(i) Information on Associate

Name of the Company	Country of Incorporation	Nature of business	Extent of holding 30 September 2023	31 March 2023	31 March 2022	31 March 2021
Clapjoy Innovations Private Limited#	India	Toys	30.00%	30.00%	-	-

#On 21 February 2023, DOMS Industries Limited, through shareholding agreement dated 16 February 2023, acquired 30% stake in Clapjoy Innovations Private Limited ("Clapjoy") for consideration in cash aggregating to Rs. 15.01 million. Clapjoy is primarily engaged in manufacturing and sale of toys.

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
6(b)	**Other Financial Assets**				
	Non-Current				
	Security deposits at amortised cost	114.25	66.12	61.81	68.72
	Bank deposits with more than 12 months maturity (Refer note below)	43.03	43.09	44.53	45.27
	Total	**157.28**	**109.21**	**106.34**	**113.99**
	Note Balances with banks held as margin money deposits against guarantees/ buyers credit				
7	**Other Tax Assets (Net)**				
	Advance Tax (net of provisions for tax of Rs. Nil (31 March 2023: Rs. Nil, 31 March 2022: Rs. Nil, 31 March 2021: Rs. Nil))	10.54	2.99	10.64	10.12
	Total	**10.54**	**2.99**	**10.64**	**10.12**
8	**Other Non-Current Assets** *(Unsecured and considered good unless stated otherwise)*				
	Capital Advances	161.94	137.51	56.57	20.39
	Prepaid Expenses	0.89	1.18	-	-
	Advances other than capital advances				
	Security Deposits	41.49	35.72	36.92	37.15
	Total	**204.32**	**174.41**	**93.49**	**57.54**
9	**Inventories**				
	Raw material and Packing material (includes in transit of Rs.82.80 million (31 March 2023: Rs.68.19 million, 31 March 2022: Rs.33.26 million, 31 March 2021: Rs.19.62 million))	1,204.73	1,186.89	987.13	670.79
	Work-in-progress	238.00	303.43	369.15	325.99
	Finished goods	448.84	285.68	161.50	158.29
	Stock-in-trade (includes in transit of Rs.12.60 million (31 March 2023: Rs.9.93 million, 31 March 2022: Rs.18.61 million, 31 March 2021: Rs.9.46 million))	94.83	70.42	74.14	52.73
	Total	**1,986.40**	**1,846.42**	**1,591.92**	**1,207.80**

Notes :-

Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average basis and is net of GST Input Tax Credit.

Working capital facilities sanctioned by HDFC bank are secured by hypothecation of stocks and book debts. Quarterly statements of stock and book debts are filed with the bank which are in agreement with the books of accounts.

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
10	**Trade Receivables**				
	Current				
	Trade Receivables considered good- Unsecured	497.12	356.39	491.63	419.23
	Trade receivable Unsecured which have significant increase in credit risk	25.13	25.13	25.13	-
	Trade receivables Unsecured which have credit impaired	0.36	0.36	3.64	3.64
	Less: Allowance for Expected credit loss for significant increase in credit risk/credit impaired	(25.49)	(25.49)	(28.78)	(3.64)
	Total	**497.12**	**356.39**	**491.62**	**419.23**

Refer note 43 for information about credit risk and market risk of trade receivables.

Refer note 44 for information about receivables from related party.

Working capital facilities sanctioned by HDFC bank are secured by hypothecation of stocks and book debts. Quarterly statements of stock and book debts are filed with the bank which are in agreement with the books of accounts.

There are no secured trade receivables.

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure VII
Notes to Restated Consolidated Financial Information
(All amounts are in INR millions except per share data or as otherwise stated)

10(a) Trade Receivables Ageing Schedule

As at 30 September 2023

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	232.43	233.87	5.26	25.37	0.19	-	497.12
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	25.13	25.13
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	0.36	0.36
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	232.43	**233.87**	**5.26**	**25.37**	**0.19**	**25.49**	**522.61**
Less: Expected credit loss allowance	-	-	-	-	-	(25.49)	(25.49)
Total	**232.43**	**233.87**	**5.26**	**25.37**	**0.19**	**-**	**497.12**

As at 31 March 2023

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	241.25	112.49	1.94	0.69	0.02	-	356.39
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	25.13	-	25.13
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	0.36	0.36
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	241.25	**112.49**	**1.94**	**0.69**	**25.16**	**0.36**	**381.88**
Less: Expected credit loss allowance	-	-	-	-	(25.13)	(0.36)	(25.49)
Total	**241.25**	**112.49**	**1.94**	**0.69**	**0.02**	**-**	**356.39**

As at 31 March 2022

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	376.65	113.95	0.98	0.01	0.04	-	491.63
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	24.28	0.84	-	25.13
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	3.64	3.64
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	376.65	**113.95**	**0.98**	**24.29**	**0.88**	**3.64**	**520.40**
Less: Expected credit loss allowance	-	-	-	(24.29)	(0.84)	(3.64)	(28.78)
Total	**376.65**	**113.95**	**0.98**	**(0.00)**	**0.04**	**-**	**491.62**

As at 31 March 2021

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	180.55	206.06	24.71	7.91	-	-	419.23
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	3.64	3.64
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	180.55	**206.06**	**24.71**	**7.91**	**-**	**3.64**	**422.87**
Less: Expected credit loss allowance	-	-	-	-	-	(3.64)	(3.64)
Total	**180.55**	**206.06**	**24.71**	**7.91**	**-**	**-**	**419.23**

(All amounts are in INR millions except per share data or as otherwise stated)

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
11	**Cash and Cash Equivalents**				
	Balances with Banks				
	Balance in current account	362.92	238.04	69.85	217.02
	Balance in EEFC account	116.83	102.25	22.13	8.40
	Cash on hand	2.56	2.25	1.01	1.29
	Total	**482.31**	**342.54**	**92.99**	**226.71**
12	**Bank Balances other than cash and cash equivalents as above**				
	Deposits with Banks				
	Margin money deposit - bank guarantee / letter of credit	11.77	7.65	7.05	6.80
	With original maturity of more than 3 months but less than 12 months	4.65	66.80	57.60	56.60
	Total	**16.42**	**74.45**	**64.65**	**63.40**
13	**Loans**				
	(Unsecured, Considered Good , Carried at Amortised Cost)				
	Loans to employees	7.93	8.11	5.88	4.86
	Total	**7.93**	**8.11**	**5.88**	**4.86**

In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10 March, 2015, loans given to employees as per the Group's policy are not considered for the purposes of disclosure under Section 186(4) of the Act.
There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties, either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
14	**Other Current Assets**				
	Advances other than Capital advances				
	Prepaid Expenses	4.11	17.20	8.88	9.24
	Advances to Vendors	148.91	119.13	79.67	62.11
	Export benefit receivable	3.30	2.36	5.68	0.74
	Share issue expenses*	77.71	-	-	
	Advances to Employees	0.11	0.11	0.16	0.07
	Balances with Government authorities	43.55	26.81	104.90	79.44
	Total	**277.69**	**165.61**	**199.29**	**151.60**

* includes eligible expenses incurred in connection with proposed initial public offer of equity shares of the Company amounting to Rs. 77.71 million for the period ended 30 September 2023, recoverable from selling shareholders or adjustable against share premium portion of the IPO proceeds.

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
15	**Equity Share Capital**				
	Authorised Share Capital*				
	700,00,000 (31 March 2023: 500,000, 31 March 2022: 500,000, 31 March 2021: 500,000) Equity shares of Rs.10 each	**700.00**	**5.00**	**5.00**	**5.00**
	Issued, subscribed and fully paid up**				
	562,50,218 (31 March 2023: 372,518, 31 March 2022: 372,518, 31 March 2021: 372,518) Equity shares of Rs.10 each fully paid up	**562.50**	**3.73**	**3.73**	**3.73**

*Subsequent to the year ended 31 March 2023, the authorized share capital was increased from 500,000 equity shares of Rs. 10 each amounting to Rs. 5 million to 700,00,000 equity shares of INR 10 each amounting to Rs. 700 million which was duly approved by the board in meeting dated 3 July 2023 and by the shareholders of the Company by means of an ordinary resolution dated 3 July 2023.

**Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on 3 July 2023 had approved the bonus issue of one hundred and fifty new equity share for every one share held on record date which was approved by the shareholders by means of a special resolution dated 3 July 2023. Through a Board resolution dated 6 July 2023, the Company has allotted 558,77,700 equity shares of Rs.10 each as bonus shares to the existing equity shareholders of the Company.

a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the period/year

	30 September 2023		31 March 2023		31 March 2022		31 March 2021	
	No. of shares	Amount (Rs in million)	No. of shares	Amount (Rs in million)	No. of shares	Amount (Rs in million)	No. of shares	Amount (Rs in million)
At the beginning of the period/year	3,72,518	3.73	3,72,518	3.73	3,72,518	3.73	3,72,518	3.73
Add: Shares issued during the period/year	5,58,77,700	558.77	-	-	-	-	-	-
At the end of the period/year	**5,62,50,218**	**562.50**	**3,72,518**	**3.73**	**3,72,518**	**3.73**	**3,72,518**	**3.73**

Terms/Rights attached to Equity Shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holder of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

b) Details of shares held by parent company and ultimate parent company and their subsidiaries / associates

Name of the Holding Company	30 September 2023		31 March 2023		31 March 2022		31 March 2021	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each fully paid								
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	2,86,87,735	51.00%	1,89,985	51.00%	1,89,985	51.00%	1,89,985	51.00%

c) Disclosure of Shareholding of Promoters and Promoter group

Shareholder name	Class of Shares	As at 30 September 2023		As at 31 March 2023		% Change during the year
		No. of Shares*	% of total shares	No. of Shares	% of total shares	
Equity shares of Rs. 10 each fully paid						
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Equity	2,86,87,735	51.00%	1,89,985	51.00%	0.00%
Santosh R. Raveshia	Equity	95,62,679	17.00%	63,329	17.00%	0.00%
Sanjay M. Rajani	Equity	48,54,952	8.63%	32,152	8.63%	0.00%
Ketan M. Rajani	Equity	48,54,952	8.63%	32,152	8.63%	0.00%
Chandni V. Somaiya	Equity	22,49,900	4.00%	14,900	4.00%	0.00%
Sheetal H. Parpani	Equity	22,49,900	4.00%	14,900	4.00%	0.00%
Sejal S. Raveshia	Equity	22,49,900	4.00%	14,900	4.00%	0.00%
Pravina M. Rajani	Equity	5,13,400	0.91%	3,400	0.91%	0.00%
Ila S. Rajani	Equity	5,13,400	0.91%	3,400	0.91%	0.00%
Shilpa K. Rajani	Equity	5,13,400	0.91%	3,400	0.91%	0.00%
Total		**5,62,50,218**	**100.00%**	**3,72,518**	**100.00%**	**0.00%**

**Change in number of shares is on account of bonus shares issued during the period.*

c) Disclosure of Shareholding of Promoters and Promoter group (continued)

Shareholder name	Class of Shares	As at 31 March 2023		As at 31 March 2022		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Equity shares of Rs. 10 each fully paid						
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Equity	1,89,985	51.00%	1,89,985	51.00%	0.00%
Santosh R. Raveshia	Equity	63,329	17.00%	63,329	17.00%	0.00%
Sanjay M. Rajani	Equity	32,152	8.63%	32,152	8.63%	0.00%
Ketan M. Rajani	Equity	32,152	8.63%	32,152	8.63%	0.00%
Chandni V. Somaiya	Equity	14,900	4.00%	14,900	4.00%	0.00%
Sheetal H. Parpani	Equity	14,900	4.00%	14,900	4.00%	0.00%
Sejal S. Raveshia	Equity	14,900	4.00%	14,900	4.00%	0.00%
Pravina M. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Ila S. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Shilpa K. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Total		**3,72,518**	**100.00%**	**3,72,518**	**100.00%**	**0.00%**

(All amounts are in INR millions except per share data or as otherwise stated)

c) Disclosure of Shareholding of Promoters and Promoter group (continued)

Shareholder name	Class of Shares	As at 31 March 2022		As at 31 March 2021		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Equity shares of Rs. 10 each fully paid						
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Equity	1,89,985	51.00%	1,89,985	51.00%	0.00%
Santosh R. Raveshia	Equity	63,329	17.00%	63,329	17.00%	0.00%
Sanjay M. Rajani	Equity	32,152	8.63%	32,152	8.63%	0.00%
Ketan M. Rajani	Equity	32,152	8.63%	32,152	8.63%	0.00%
Chandni V. Somaiya	Equity	14,900	4.00%	14,900	4.00%	0.00%
Sheetal H. Parpani	Equity	14,900	4.00%	14,900	4.00%	0.00%
Sejal S. Raveshia	Equity	14,900	4.00%	14,900	4.00%	0.00%
Pravina M. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Ila S. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Shilpa K. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Total		**3,72,518**	**100.00%**	**3,72,518**	**100.00%**	**0.00%**

c) Disclosure of Shareholding of Promoters and Promoter group (continued)

Shareholder name	Class of Shares	As at 31 March 2021		As at 31 March 2020		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Equity shares of Rs. 10 each fully paid						
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Equity	1,89,985	51.00%	1,89,985	51.00%	0.00%
Santosh R. Raveshia	Equity	63,329	17.00%	63,329	17.00%	0.00%
Sanjay M. Rajani	Equity	32,152	8.63%	32,152	8.63%	0.00%
Ketan M. Rajani	Equity	32,152	8.63%	32,152	8.63%	0.00%
Chandni V. Somaiya	Equity	14,900	4.00%	14,900	4.00%	0.00%
Sheetal H. Parpani	Equity	14,900	4.00%	14,900	4.00%	0.00%
Sejal S. Raveshia	Equity	14,900	4.00%	14,900	4.00%	0.00%
Pravina M. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Ila S. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Shilpa K. Rajani	Equity	3,400	0.91%	3,400	0.91%	0.00%
Total		**3,72,518**	**100.00%**	**3,72,518**	**100.00%**	**0.00%**

d) **Details of shareholder(s) holding more than 5% equity shares**

	30 September 2023		31 March 2023		31 March 2022		31 March 2021	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each fully paid								
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	2,86,87,735	51.00%	1,89,985	51.00%	1,89,985	51.00%	1,89,985	51.00%
Santosh R. Raveshia	95,62,679	17.00%	63,329	17.00%	63,329	17.00%	63,329	17.00%
Sanjay M. Rajani	48,54,952	8.63%	32,152	8.63%	32,152	8.63%	32,152	8.63%
Ketan M. Rajani	48,54,952	8.63%	32,152	8.63%	32,152	8.63%	32,152	8.63%

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
e)	Details of shares issued without payment of cash or by way of bonus shares during during the period of five years immediately preceding the Balance Sheet date.	Nil	Nil	Nil	Nil
f)	Disclosure of aggregate number of equity shares bought back during the period of 5 years immediately preceding the balance sheet date	Nil	Nil	Nil	Nil

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
16	**Other Equity -Attributable to owners of the Company**				
	Securities Premium				
	Balance at the beginning of the period/year	860.49	860.49	860.49	860.49
	Less: Issue of bonus shares (refer note 15)	(558.77)	-	-	-
	Balance at the end of the period/year	**301.72**	**860.49**	**860.49**	**860.49**
	Surplus in the statement of profit and loss				
	Balance at the beginning of the period/year	2,510.10	1,608.25	1,471.89	1,551.31
	Add: Profit/(Loss) for the period/year	706.27	958.12	143.61	(90.18)
	Add: Other comprehensive (loss)/income arising from measurement of defined benefit obligation net of income tax	(11.33)	(0.52)	(7.25)	10.76
	Derecognition of share in subsidiary companies (refer note 48)	-	0.13	-	-
	Less: Interim Dividend for FY 2022-23	(93.13)			
	Less: Interim Dividend for FY 2021-22	-	(55.88)	-	-
	Balance at the end of the period/year	**3,111.91**	**2,510.10**	**1,608.25**	**1,471.89**
	Total	**3,413.63**	**3,370.59**	**2,468.74**	**2,332.38**

(Refer Statement of Changes in Equity for detailed movement in Other Equity balances)

Nature and purpose of reserve

Securities Premium: Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: The amount that can be distributed by the Company as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013.

(All amounts are in INR millions except per share data or as otherwise stated)

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
17	**Borrowings**				
	Non-Current *(Secured)*				
	Term Loan from Banks				
	Vehicle Loan from Bank (Refer Note 17(a) below)	8.51	2.72	4.17	3.90
	Others (Refer Note 17(b) below)	147.61	148.83	24.35	25.09
	Non-Current *(Unsecured)*				
	Loan - related parties (Refer Note 17(c) below)	699.55	-	-	-
	Total	**855.67**	**151.55**	**28.52**	**28.99**

Note 17(a)

The terms of the vehicle loans taken from HDFC Bank Limited of the Holding Company are as follows:

(i) The rate of interest of various vehicle loan ranges from 8.30% to 10.50%. The vehicle loan is repayable in equated monthly installments.

(ii) The loans are secured by hypothecation of underlying vehicles.

Note 17(a)

The terms of the vehicle loans from Kotak Mahindra Finance of Pioneer Stationery Private Limited are as follows:

(i) The rate of interest of various vehicle loan ranges from 7.35% to 10.00%. The vehicle loan is repayable in equated monthly installments.

Note 17(a)

The terms of the vehicle loans from HDFC Bank of Micro Wood Private Limited are as follows:

(i) The rate of interest of various vehicle loan ranges from 7.35% to 10.00%. The vehicle loan is repayable in equated monthly installments.

(ii) The current maturity of the said loan amounting to Rs. 1.77 million has been classified under current maturities of long term borrowings.

Note 17(b)

The terms of the term loan from HDFC Bank Limited of Holding Company are as follows:

(i) Secured term loan from bank amounting to Rs.50 million, outstanding as at 30 September 2023: Rs. Nil (31 March 2023: Rs. 4.11 million, 31 March 2022: Rs.15.68 million, 31 March 2021: Rs.26.23 million) is repayable in 60 equated monthly installments starting from 7 August 2018 with last installment payable on 7 July 2023. The rate of interest is bank reference rate plus spread of 1% to 1.5% p.a.. The Company has mortgaged certain identified immovable properties against the term loan.

(ii) Secured term loan from bank amounting to Rs. 100 million, outstanding as at 30 September 2023: Rs. 87.28 million (31 March 2023: Rs. 95.84 million, 31 March 2022: Rs. Nil, 31 March 2021: Rs. Nil) is is repayable in 60 equated monthly installments starting from 7 January 2023 with last installment payable on 7 December 2027. The rate of interest is bank reference rate plus spread of 1% to 1.5% p.a.. The Company has mortgaged certain identified immovable properties against the term loan.

(iii) Secured term loan from bank amounting to Rs. 62.64 million, outstanding as at 30 September 2023: Rs. 58.64 million (31 March 2023: Rs. 62.08 million, 31 March 2022: Rs. Nil, 31 March 2021: Rs. Nil) is repayable in 84 equated monthly installments starting from 7 March 2023 with last installment payable on 7 February 2030. The rate of interest is bank reference rate plus spread of 1% to 1.5% p.a.. The Company has mortgaged certain identified immovable properties against the term loan.

Note 17(b)

The terms of the term loan from HDFC Bank of Pioneer Stationery Private Limited are as follows:

Secured term loan from bank outstanding as at 30 September 2023 Rs 18.93 million (31 March 2023: 22.09 million, 31 March 2022: 26.42 million, 31 March 2021: Rs.16.46 million) is repayable in 60 equated monthly installments starting from 18 March 2021 with last installment payable on 5 Feb 2027. The rate of interest is SOFR plus 450 bps.. Loans are secured by hypothecation of current assets, movable assets and fixed deposits of the subsidiary Company, corporate guarantee of Doms Industries Limited and extension on the charge on the certain identified immovable properties of Doms Industries Limited and personal guarantees of Rajendra Gala, Kanti Gala, Bhavna Gala and Pooja Gala.

The terms of the term loan of subsidiary company Micro Wood Private Limited are as follows:

Secured term loan from bank amounting to Rs. 20.90 million is repayable in 60 equated monthly installments starting from 7 January 2023 with last installment payable on 7 December 2027. Loan amount outstanding as at 30 September 2023 is Rs.18.72 million. The rate of interest is is bank reference rate plus spread of 1.20% to 1.75% p.a.. The subsidiary Company has mortgaged certain identified immovable properties against the term loan.

Note 17(c)

Unsecured loan from related parties carries interest rate in the range of 9.0% to 12.0% p.a. The tenor of the loan is 3 years from the date of drawdown.

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
18	**Provisions**				
	Non-Current				
	Provision for Employee Benefits				
	Provision for Gratuity (Refer Note 41)	119.81	91.29	78.19	59.62
	Total	**119.81**	**91.29**	**78.19**	**59.62**
19	**Borrowings**				
	Current *(Secured)*				
	Other loans				
	Working Capital Loans From Banks - Cash Credit (Refer Note 19(a) below)	317.39	279.11	153.24	374.72
	Buyer Credit facility from bank (Refer Note 19(b) below)	48.27	135.96	227.61	198.63
	Current maturities of long term borrowings (Refer Note 17(a))	41.23	37.78	21.80	23.62
	Current *(Unsecured)*				
	Working Capital Loans From Banks - Cash Credit (Refer Note 19(c) below)	250.00	100.27	100.00	-
	Loan repayable on demand - related parties (Refer Note 19(d) below)	251.23	295.98	317.87	346.78
	Total	**908.12**	**849.10**	**820.52**	**943.75**

Note 19(a)

The terms of the cash credit facility are as follows:

The rate of interest is is bank reference rate plus spread of 1% to 3% p.a.

Cash credit facility from HDFC Bank is primarily secured by hypothecation by way of first and exclusive charge on all present and future stocks and book debts. Cash credit facility from BNP Paribas is secured by standby letter of credit.

Quarterly statements of stock and book debts are filed with the HDFC bank which are in agreement with the books of accounts.

Note 19(b)

The terms of the buyer credit facility (sub limit of Cash Credit limit) are as follows:

The rate of interest is LIBOR/SOFR plus spread of 1.5 to 3.0% p.a.. The other terms of the facilities are same as mentioned in Note 19(a).

Note 19(c)

Cash credit facility from Axis Bank is unsecured. The rate of interest is 3months MCLR plus spread of 0.20% to 0.45% p.a..

Note 19(d)

Unsecured loan from related parties carries interest rate in the range of 9.0% to 12.0% p.a. The loan is repayable on demand.

(All amounts are in INR millions except per share data or as otherwise stated)

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
20	**Trade Payables**				
	Current				
	Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 20(a) below)	55.84	50.63	45.18	34.02
	Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	888.92	819.22	766.12	534.19
	Total	**944.76**	**869.85**	**811.30**	**568.21**
	Of the above trade payable due to related party amount are as follows:				
	Trade payable to related party (refer note 44)	**23.79**	**69.95**	**27.33**	**23.26**

20(a) Disclosure as per the provision of the Micro, Small and Medium Enterprises Development Act, 2006, based on available information available with the group are as under:

Particulars	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Principal amount remaining unpaid to any supplier as at the end of the accounting year/period	55.84	50.63	45.18	34.02
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year/period	-	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year/period	-	-	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-	-
The amount of interest due and payable for the year/period	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year/period	-	-	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-	-

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

20(b) **Trade Payables Ageing Schedule**

As on 30 September 2023:

Particulars	**Outstanding for following period from due date of payment**						**Total**
	Unbilled	**Not Due**	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	44.74	11.11	-	-	-	**55.85**
(ii) Others	163.68	438.47	286.12	0.37	0.15	0.12	**888.91**
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**163.68**	**483.21**	**297.23**	**0.37**	**0.15**	**0.12**	**944.76**

As on 31 March 2023:

Particulars	**Outstanding for following period from due date of payment**						**Total**
	Unbilled	**Not Due**	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	50.63	-	-	-	-	50.63
(ii) Others	82.17	554.83	178.71	3.33	0.01	0.17	819.22
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**82.17**	**605.46**	**178.71**	**3.33**	**0.01**	**0.17**	**869.85**

As on 31 March 2022:

Particulars	**Outstanding for following period from due date of payment**						**Total**
	Unbilled	**Not Due**	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	45.18	-	-	-	-	45.18
(ii) Others	62.74	478.10	225.03	0.08	0.17	-	766.12
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**62.74**	**523.28**	**225.03**	**0.08**	**0.17**	**-**	**811.30**

As on 31 March 2021:

Particulars	**Outstanding for following period from due date of payment**						**Total**
	Unbilled	**Not Due**	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	34.02	-	-	-	-	34.02
(ii) Others	61.12	307.94	163.53	1.61	-	-	534.19
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**61.12**	**341.96**	**163.53**	**1.61**	**-**	**-**	**568.21**

(All amounts are in INR millions except per share data or as otherwise stated)

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
21	**Other Financial Liabilities**				
	Current				
	Deposit from customers	-	-	3.10	13.45
	Payable to employees	252.00	142.73	109.24	82.01
	Payable against investment in associate (refer note 6(a))	-	7.51	-	-
	Payables for Property, Plant & Equipment	50.12	24.91	18.63	35.97
	Total	**302.12**	**175.15**	**130.97**	**131.43**
22	**Other Current Liabilities**				
	Advances from Customers (Refer note (i) below)	180.54	161.70	51.10	28.54
	Statutory dues (Refer note (ii) below)	50.78	38.40	26.38	19.42
	Total	**231.32**	**200.10**	**77.48**	**47.96**

Note
i) For detailed disclosure relating to Ind AS 115 - Revenue from Contracts with Customers refer Note 45
ii) Statutory dues includes amount payable towards indirect taxes, tax deducted at source and employee related dues.

		As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
23	**Provisions**				
	Current				
	Provision for Employee Benefits				
	Provision for Compensated absences	69.60	29.76	12.92	8.02
	Provision for Gratuity (Refer Note 41)	7.22	6.17	5.64	2.48
	Total	**76.82**	**35.93**	18.56	10.50
24	**Current Tax Liabilities (Net)**				
	Current				
	Liabilities for Current tax (Net) (Net of advance tax of Rs.511.92 million (31 March 2023: Rs.302.27 million, 31 Mar 2022: Rs.12.76 million, 31 March 2021: Rs.Nil))	153.80	74.02	47.79	4.18
	Total	**153.80**	**74.02**	**47.79**	**4.18**

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure VII
Notes to Restated Consolidated Financial Information
(All amounts are in INR millions except per share data or as otherwise stated)

		Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
25	**Revenue from Operations**				
(a)	Sale of products (Refer Note 45)	7,603.09	12,076.60	6,804.20	4,003.59
(b)	Other operating revenues				
	Export incentive*	14.89	42.30	31.81	24.58
	Total (a+b)	**7,617.98**	**12,118.90**	**6,836.01**	**4,028.17**

*Group has complied with the conditions attached with export incentives.

		Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
26	**Other Income**				
	Interest income for financial assets measured at amortised cost :				
	- From Banks	2.55	6.62	5.35	3.35
	- From Others	2.72	5.49	5.30	5.29
	Profit on sale of property, plant & equipments (net)	0.29	1.26	0.44	30.41
	Provisions no longer required written back	0.02	1.05	2.09	0.04
	Foreign exchange gain (net)	16.18	26.78	10.93	16.87
	Rent reduction/waiver	-	-	-	2.16
	Gain on lease termination	-	0.16	0.17	-
	Other non-operating income	2.41	4.97	1.96	1.59
	Total	**24.17**	**46.33**	**26.24**	**59.71**
27	**Cost of Materials Consumed**				
	Raw materials and packing material				
	Opening stock	1,186.89	987.13	670.79	723.59
	Add: Inventory on acqusition through business combinations (refer note 50)	39.26	-	-	-
	Add : Purchases during the period/year	4,316.86	7,627.13	4,567.70	2,268.65
		5,543.01	8,614.26	5,238.49	2,992.24
	Less: Closing stock	1,204.73	1,186.89	987.13	670.79
	Total	**4,338.28**	**7,427.37**	**4,251.36**	**2,321.45**
28	**Purchase of Stock-in-Trade**				
	Stationery goods	344.06	261.05	137.15	115.61
	Total	**344.06**	**261.05**	**137.15**	**115.61**
29	**Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress**				
	Inventory at the beginning of the period/year				
	Finished Goods	285.68	161.50	158.29	184.40
	Work-in-Progress	303.43	369.15	325.99	336.64
	Stock-in-Trade	70.42	74.14	52.72	32.35
	Add: Inventory on acqusition through business combinations (refer note 50)	28.97	-	-	-
		688.50	**604.79**	**537.00**	**553.39**
	Less:				
	Inventory at the end of the period/year				
	Finished Goods	448.84	285.68	161.50	158.29
	Work-in-Progress	238.00	303.43	369.15	325.99
	Stock-in-Trade	94.83	70.42	74.14	52.72
		781.67	**659.54**	**604.79**	**537.00**
	(Increase)/Decrease in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	**(93.17)**	**(54.75)**	**(67.79)**	**16.39**

(All amounts are in INR millions except per share data or as otherwise stated)

		Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
30	**Employee Benefits Expense**				
	Salaries and Wages	916.29	1,283.16	917.06	642.23
	Contribution to Provident and Other Funds (Refer note 41)	86.18	101.25	71.19	44.97
	Gratuity expenses (Refer note 41)	12.68	22.17	16.50	17.71
	Staff welfare expenses	10.11	11.38	9.37	5.72
	Total	**1,025.26**	**1,417.96**	**1,014.12**	**710.63**
31	**Finance Costs**				
	Interest expense on borrowing that are not measured at fair value through profit or loss				
	- Banks	24.70	35.65	28.77	30.18
	- Related parties	22.76	29.26	33.10	29.23
	- Others	9.81	10.15	2.53	1.63
	Interest on lease liabilities	16.68	32.03	31.25	20.98
	Other Finance Costs (includes bank charges, etc.)	4.50	11.71	7.35	6.03
	Total	**78.45**	**118.80**	**103.00**	**88.05**
32	**Depreciation and Amortisation Expense**				
	Depreciation for Property, Plant and Equipment	177.39	314.55	288.04	280.45
	Amortisation for Other Intangible Assets	0.45	0.90	2.94	4.01
	Depreciation for Right of Use Assets	50.02	91.05	89.15	63.23
	Total	**227.86**	**406.50**	**380.13**	**347.69**
33	**Other expenses**				
	Power and fuel	242.20	373.90	237.89	162.68
	Rent (refer note 36)	4.26	7.18	7.07	20.82
	Consumable, store & spare expenses	74.70	123.55	74.97	47.82
	Manufacturing charges	33.28	63.48	31.85	26.82
	Repairs and maintenance:				
	- Plant and machinery	6.04	10.02	7.68	15.87
	- Buildings	6.54	4.84	2.02	1.63
	- Others	8.71	15.99	23.80	11.29
	Insurance	6.13	11.12	10.90	9.86
	Directors sitting fees	0.86	-	-	-
	Rates and taxes	9.48	6.15	5.53	6.57
	Travelling and conveyance expenses	36.45	75.72	44.62	35.28
	Legal and professional fees	29.70	52.17	16.87	14.10
	Payment to auditors (Refer note (a) below)	2.83	5.37	6.73	5.33
	Advertisement and business promotion expenses	25.25	34.12	28.09	15.06
	Commission on Sales	1.47	1.47	0.67	0.89
	Freight outwards and clearing expenses	203.85	361.06	215.70	132.51
	Provision for Doubtful Debts and Advances	-	-	25.13	-
	Impairment Loss on Goodwill	-	-	13.35	-
	Loss on sale of investment in subsidiary companies (refer note 48)	-	0.05	-	-
	Corporate social responsibility expenses (Refer note no. 46)	-	4.55	1.20	15.60
	Miscellaneous expenses	37.35	49.94	49.97	41.71
	Total	**729.10**	**1,200.68**	**804.04**	**563.84**
	Note (a)				
i)	**Payment to auditors***				
	For statutory audit	1.09	2.15	3.68	2.18
	For other services	1.42	2.78	2.88	3.00
	For reimbursement of expenses	0.32	0.44	0.17	0.15
	Total	**2.83**	**5.37**	**6.73**	**5.33**

*Excluding applicable taxes.

Note: The above excludes fees paid/payable to auditors on account of initial public offering of equity shares as these expenses will be recovered by the company partly from the selling shareholders (refer note 14).

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Notes to Restated Consolidated Financial Information
(All amounts are in INR millions except per share data or as otherwise stated)

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
34 Tax Expenses				
(a) Income Tax Expense				
Current Tax Expenses				
Current Tax on profits for the period/year	266.65	378.53	75.38	24.34
Total Current Tax Expenses	**266.65**	**378.53**	**75.38**	**24.34**
Deferred Tax (Credit)				
(Increase) in Deferred Tax Assets	(14.28)	(19.61)	(6.54)	(39.86)
Total Deferred Tax Expenses	**(14.28)**	**(19.61)**	**(6.54)**	**(39.86)**
Total Income Tax Expense	**252.37**	**358.92**	**68.84**	**(15.52)**
(b) Income Tax Recognised/(Credited) In Other Comprehensive Income				
Remeasurement of defined benefit obligations	**3.87**	**0.11**	**2.44**	**(3.62)**

(c) <u>Reconciliation of effective tax rate:</u>

The reconciliation between the amount computed by applying the statutory income tax rate to the profit/(loss) before tax and tax (income) / expenses charge is summarised below:

Particulars	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Accounting profit/(loss) before tax	**992.31**	**1,387.62**	**240.24**	**(75.78)**
Statutory Income Tax rate	25.17%	25.17%	25.17%	25.17%
Computed Tax expense at statutory Income Tax rate	**249.74**	**349.24**	**60.46**	**(19.07)**
Adjustments for:				
Deferred Tax Asset not recognised*	-	2.14	4.79	1.59
Tax on non-deductible expenses	2.63	4.09	3.59	1.97
Income tax earlier years	-	3.45	-	-
Income Tax expense reported in the statement of profit or loss	**252.37**	**358.92**	**68.84**	**(15.52)**

35 Deferred Tax balances

	As at 30 September 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deferred Tax assets	51.20	31.69	11.98	3.00

Deferred Tax assets and liabilities are attributable to the following:

	30 September 2023	**31 March 2023**	**31 March 2022**	**31 March 2021**
Deferred Tax Assets				
Expenditure allowed on payment basis under section 43B of Income-tax Act,1961	49.54	32.13	24.35	17.65
Carry forward of losses	-	-	-	21.92
Financial assets at amortised cost	3.03	2.33	2.14	1.88
Leases	13.98	11.22	7.85	3.61
Provision for doubtful debts	6.42	6.42	7.24	0.92
Total Deferred Tax Assets (A)	**72.97**	**52.10**	**41.58**	**45.97**
Deferred Tax Liabilities				
Property, plant and equipment	(21.77)	(20.40)	(29.60)	(42.97)
Total Deferred Tax Liabilities (B)	**(21.77)**	**(20.40)**	**(29.60)**	**(42.97)**
Net Deferred Tax Assets (A-B)	**51.20**	**31.69**	**11.98**	**3.00**

(All amounts are in INR millions except per share data or as otherwise stated)

a) Movements in Deferred Tax (net)

Particulars	Property, plant and equipment and Leases	Financial liabilities measured at amortised cost	Provision for Doubtful debts	Expenditure allowed on payment basis under section 43B of Income-tax Act,1961	Carry forward of losses	Net Deferred Tax
At 1 April 2020	**(58.21)**	**1.49**	**0.92**	**18.40**	**4.16**	**(33.24)**
Recognised						
- in profit or loss	18.85	0.39	-	2.86	17.76	39.86
- in other comprehensive income	-	-	-	(3.62)	-	(3.62)
At 31 March 2021	**(39.36)**	**1.88**	**0.92**	**17.65**	**21.92**	**3.00**
Recognised						
- in profit or loss	17.61	0.26	6.33	4.25	(21.91)	6.54
- in other comprehensive income				2.45		2.45
At 31 March 2022	**(21.75)**	**2.14**	**7.24**	**24.34**	**0.01**	**11.98**
Recognised						
- in profit or loss	12.57	0.19	(0.83)	7.68	-	19.61
- in other comprehensive income				0.11		0.11
At 31 March 2023	**(9.18)**	**2.33**	**6.42**	**32.12**	**0.01**	**31.69**
Deferred tax on acquisition	(0.36)	0.45	-	1.26	-	1.34
Recognised						
- in profit or loss	1.75	0.25	-	12.29	-	14.28
- in other comprehensive income	-	-	-	3.87		3.87
At 30 September 2023	**(7.81)**	**3.03**	**6.42**	**49.53**	**0.01**	**51.20**

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant group Management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

As the group does not have any intention to dispose off investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

*Deferred tax assets on long term capital loss on sale shares in subsidiary companies are not recognized on account of uncertainity that future long capital gain will be available against which the same shall be set off. The Company has a claim to carry forward the loss till assessment year 2031-32.

36 Disclosures under Ind AS 116 Leases:

a) <u>The group as lessee:</u>

The following is the movement in lease liabilities during the period/year:

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Opening Balance	**397.39**	**380.34**	**363.81**	**262.19**
Add: Additions on acquisition through business combinations (refer note no.50)	48.23	-	-	-
Add: Additions during the period/year	74.86	92.02	86.76	145.20
Add: Interest Expenses	16.68	32.03	31.25	20.98
Less : Disposals	-	(2.33)	(3.12)	-
Less : Rent concessions*	-	-	-	(2.16)
Less: Payments	(56.90)	(104.67)	(98.36)	(62.40)
Closing Balance	**480.26**	**397.39**	**380.34**	**363.81**
Non-current	**364.61**	**302.57**	**293.62**	**283.15**
Current	**115.65**	**94.82**	**86.72**	**80.66**

*During the year 31 March 2021, the group had recognised rent concession of Rs.2.16 million, applying practicality to eligible lease contracts.

Amounts recognised in profit or loss

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Expenses relating to short-term leases	4.26	7.18	7.07	20.82

Maturity Analysis of lease liabilities (Undiscounted cashflows):

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Less than one year	120.39	100.11	91.74	99.20
One to five years	393.58	314.95	273.60	311.05
More than five years	73.17	76.72	118.88	173.16
Total	**587.14**	**491.78**	**484.22**	**583.41**

Maturity Analysis of lease liabilities (Discounted cashflows):

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Less than one year	115.65	94.82	86.72	80.66
One to five years	318.30	283.05	256.29	223.66
More than five years	46.31	19.52	37.33	59.49
Total	**480.26**	**397.39**	**380.34**	**363.81**

Amount recognised in statement of cash flow	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Total cash flow for leases	**(62.59)**	**(73.59)**	**(79.17)**	**(50.81)**

37 Contingent Liabilities & Contingent Assets

(a) Contingent Liabilities

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Income Tax payable on disallowance made U/s 80IB and 36(1)(va)	2.55	2.55	2.55	2.55

(b) Contingent Assets

The group is having certain claims, realization of which is dependent on outcome of legal process being pursued. The management believes that probable outcome in all such claims are uncertain. Hence, the disclosure of such claims is not required in the financial statements.

38 Commitments

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Capital Commitments				
Estimated amount of contracts remaining to be executed on capital account and not provided for	317.54	465.14	132.16	80.95

39 Events Occurring After The Reporting Period

a) Dividends in respect of year ended 31 March 2022 paid aggregating to Rs. 55.88 million (Rs. 150 per equity share outstanding as on 31 March 2022) is out of Retained Earnings for the year ended 31 March 2022.
On 16 June 2023, in respect of the year ended 31 March 2023, the Board of Directors of the Company have proposed an interim dividend of Rs.250 per equity share outstanding as on 31 March 2023 resulting in a cash outflow of Rs. 93.13 million.

b) Subsequent to year end 31 March 2023, on 6 July 2023, Company has allotted 5,58,77,700 equity shares of Rs.10 each as bonus shares in ratio of 1:150 to the existing equity shareholders. This has been approved by Board and Shareholders on 3 July 2023 (refer note 15).

c) The Company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 14 July 2023 and consequently the name of the Company has changed to "DOMS Industries Limited" pursuant to a fresh certificate of incorporation issued by ROC on 3 August 2023.

d) On July 28,2023, the Company entered into a Share Purchase Agreement with certain shareholders of Micro Wood Private Limited ("Micro Wood") to acquire 75.00% stake for a total consideration of Rs. 705.60 million. On August 01, 2023, the shares of Micro Wood were transferred to the Company thus making it a subsidiary of our Company.
Micro Wood Private Limited is engaged in the business of manufacturing, processing, designing and otherwise dealing in all kinds of packing cases, cartons, drums, crates, cans and containers of tin, aluminium, other metal products and other materials like wood, plastic, polythene, glass, leather or any other manmade fibres.

40 Earning per share (EPS)

Restated basic EPS is calculated by dividing the Profit / (loss) for the period/year attributable to equity holders by the weighted average number of equity shares outstanding during the period/year.

Restated diluted EPS are calculated by dividing the Profit / (loss) for the period/year attributable to equity holders by the weighted average number of equity shares outstanding during the period/year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Note

On 3 July 2023, Company has issued 5,58,77,700 equity shares of Rs.10 each as bonus shares in ratio of 1:150 to the existing equity shareholders. This has been approved by Board and Shareholders on 3 July 2023. Impact of the same has been considered in the calculation of Basic and Diluted EPS for the year ended 31 March 2023 and Basic and Diluted EPS for 31 March 2022 have been retrospectively adjusted.

Calculation of EPS post issue of bonus shares:

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Net profit/(loss) attributable to equity holders (Rs in million)	739.06	1,028.71	171.40	(60.26)
Weighted average number of Equity Shares outstanding at the end of the period/year	5,62,50,218	5,62,50,218	5,62,50,218	5,62,50,218
Earnings Per Share (Rs):				
Basic	**13.14**	**18.29**	**3.05**	**(1.07)**
Diluted	**13.14**	**18.29**	**3.05**	**(1.07)**
Face value per share	10.00	10.00	10.00	10.00

(All amounts are in INR millions except per share data or as otherwise stated)

41 Employee Benefits :

a) Defined contribution plan:

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Labour Welfare Fund and Employees' State Insurance, which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to profit or loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund, Labour Welfare Fund and Employees' State Insurance for the period ended 30 September 2023 aggregated to Rs 86.18 million (31 March 2023: Rs.101.25 million, 31 March 2022: Rs.71.19 million, 31 March 2021: Rs.44.97 million).

b) Defined benefit plans:

The Group's gratuity benefit scheme is a defined benefit plan (unfunded). The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the obligation is performed bi-annually by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the Consolidated statement of profit and loss except remeasurement of Defined Benefit Obligations which is recognised in Other Comprehensive Income. All expenses related to defined benefit plans are recognised in employee group expense in the Statement of profit and loss. When the benefits of plan are improved, the portion of the increased benefit related to past service by employees is recognised in the Consolidated statement of profit and loss. The group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. In arriving at the valuation for gratuity following assumptions were used:

c) Actuarial Assumptions :

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Discount Rate	7.37%	7.46%	6.70%	6.49%
Salary escalation				
- Staff	8.00%	8.00%	8.00-9.00 %	7.00-9.00%
- Workers	5.00%	5.00%	5.00%	5.00%
Retirement age (years)	60*	60*	60*	60*
Attrition rate				
- Staff				
For service 2 years and below	35.00%	35.00%	35.00%	35.00%
For service 3 to 4 years	20.00%	20.00%	20.00%	20.00%
For service 5 years and above	2.00%	2.00%	2.00%	2.00%
- Workers				
For service 2 years and below	40.00%	40.00%	40.00%	40.00%
For service 3 to 4 years	25.00%	25.00%	25.00%	25.00%
For service 5 years and above	7.00%	7.00%	7.00%	7.00%
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

* In case of 32 employees, Company has increased retirement age upto 80 years. For other employees, it continues to be 60 years.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

d) The following table sets out disclosures as required under Indian Accounting Standard 19 - Employee Benefit.

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Projected benefit obligation at the beginning of period/year	**97.45**	**83.83**	**62.10**	**61.42**
Projected benefit obligation on acquisition through business combinations	4.20	-	-	-
Interest cost	3.56	5.50	3.93	3.88
Current Service Cost	9.12	16.67	12.57	13.83
Benefit Paid	(2.67)	(8.97)	(4.45)	(2.63)
Actuarial (gain)/loss on obligations recognized in other comprehensive income				
Due to change in financial assumptions	1.11	(8.23)	3.35	(4.64)
Due to experience adjustments	14.26	9.21	6.33	(9.74)
Due to Change in Demographic Assumptions	-	(0.56)	(0.00)	-
Projected benefit obligation at the end of the period/year	**127.03**	**97.45**	**83.83**	**62.10**

As at 31 March 2023, the weighted average duration of defined benefit obligation was 12 years. (31 March 2022 : 12 years. 31 March 2022 : 13 years, 31 March 2021: 13 years)

e) The following table sets out disclosures as required under Indian AS 19 - Employee Benefit (continued)

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Amount recognized in Balance Sheet				
Opening net liability	**97.45**	**83.83**	**62.10**	**61.42**
Acquisition through business combinations (refer note no.50)	4.20	-	-	-
(Income)/Expense as above	28.04	22.60	26.18	3.33
Gratuity benefit paid	(2.67)	(8.97)	(4.45)	(2.63)
Amount Recognised in Balance sheet				
- Non-current	119.81	91.29	78.19	59.62
- Current	7.22	6.17	5.64	2.48
Closing Liability	**127.03**	**97.45**	**83.83**	**62.10**

(All amounts are in INR millions except per share data or as otherwise stated)

41 Employee Benefits (continued) :

e) The following table sets out disclosures as required under Indian AS 19 - Employee Benefit (continued)

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Expense recognized				
Current Service Cost	9.12	16.67	12.57	13.83
Interest Cost	3.56	5.50	3.93	3.88
Expense recognised in the Consolidated statement of profit and loss	**12.68**	**22.17**	**16.50**	**17.71**
Actuarial Gain / loss recognized				
Actuarial (gain) / loss on obligations	15.37	0.43	9.68	(14.38)
Net Actuarial (gain) / loss recognized during period/year	**15.37**	**0.43**	**9.68**	**(14.38)**

f) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined Benefit Obligation on Current Assumptions	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Delta Effect of +1% Change in Rate of Discounting	(11.63)	(9.23)	(8.28)	(6.23)
Delta Effect of -1% Change in Rate of Discounting	13.84	10.97	9.94	7.46
Delta Effect of +1% Change in Rate of Salary Increase	12.74	10.02	9.52	7.22
Delta Effect of -1% Change in Rate of Salary Increase	(11.00)	(8.65)	(8.19)	(6.22)
Delta Effect of +1% Change in Rate of Employee Turnover	0.24	0.28	(0.51)	(0.09)
Delta Effect of -1% Change in Rate of Employee Turnover	(0.37)	(0.39)	0.53	0.06

Note on Sensitivity analysis:
The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

g) Expected future cash flows

The expected future cash flows in respect of gratuity as at Balance Sheet dates will be as follows :

Projected Benefits Payable in Future Years From the Date of Reporting	30 September 2023	31 March 2023	31 March 2022	31 March 2021
1st Following Year	7.22	6.17	5.64	2.48
2nd Following Year	6.40	5.09	3.64	2.88
3rd Following Year	6.86	5.68	4.39	3.23
4th Following Year	8.08	5.56	4.66	3.69
5th Following Year	9.99	7.34	4.39	4.19
Sum of Years 6 To 10	50.19	41.51	30.29	20.71
Sum of Years 11 and above	1.11	0.86	-	20.71

h) Code on Social Security, 2020:

The date of implementation of the Code on Social Security, 2020 (‘the Code’) relating to employee benefits is yet to be notified by the Government and when implemented will impact the contributions by the Group towards benefits such as Provident Fund, Gratuity etc. The Group will assess the impact of the Code and give effect in the financial results when the Code and Rules thereunder are notified.

42 Operating Segment

a) The Company has determined its business segment as "Stationery Products". Since the Company's business is from single business reporting segment i.e. sale of stationery products, there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the period/year is as reflected in the restated consolidated financial statements.

b) Geographical Segment

The secondary segment of the Company is based on revenue generated from the geographical locations, these being within India (domestic) and outside India (exports).

	30 September 2023			31 March 2023			31 March 2022			31 March 2021		
	Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue*	6,162.14	1,440.95	7,603.09	9,502.13	2,574.47	12,076.60	5,158.09	1,646.11	6,804.20	3,001.91	1,001.68	4,003.59
Non-Current Assets**	4,793.53	-	4,793.53	3,460.42	-	3,460.42	2,399.31	-	2,399.31	2,374.52	-	2,374.52

*Excluding other operating revenues
**Non-current Assets exclude Financial Assets, Deferred Tax Assets and Non-Current Tax Assets

Revenue from major customers

Group does not have revenue from one customer which is more than 10% of the Group's total revenue.

(All amounts are in INR millions except per share data or as otherwise stated)

43 Financial instruments – Fair values and risk management

a) Financial instruments by category and their fair value

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

As at 30 September 2023	**Carrying amount**				**Fair value**			
	FVTPL	**FVOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level 2 - Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets not measured at fair value								
Trade Receivables	-	-	497.12	497.12	-	-	-	-
Cash and Cash Equivalents	-	-	482.31	482.31	-	-	-	-
Other Bank Balances	-	-	16.42	16.42	-	-	-	-
Loans	-	-	7.93	7.93	-	-	-	-
Other financial assets								
- Current	-	-	-	-	-	-	-	-
- Non-current	-	-	157.28	157.28	-	-	-	-
Total financial assets	**-**	**-**	**1,161.06**	**1,161.06**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings								
- Non-current	-	-	855.67	855.67	-	-	-	-
- Current	-	-	908.12	908.12	-	-	-	-
Lease liabilities								
- Non-current			364.61	364.61	-	-	-	-
- Current			115.65	115.65	-	-	-	-
Other financial liabilities								
- Current	-	-	302.12	302.12	-	-	-	-
Trade Payables	-	-	944.77	944.77	-	-	-	-
Total financial liabilities	**-**	**-**	**3,490.94**	**3,490.94**	**-**	**-**	**-**	**-**

As at 31 March 2023	**Carrying amount**				**Fair value**			
	FVTPL	**FVOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level 2 - Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets not measured at fair value								
Trade Receivables	-	-	356.39	356.39	-	-	-	-
Cash and Cash Equivalents	-	-	342.54	342.54	-	-	-	-
Other Bank Balances	-	-	74.45	74.45	-	-	-	-
Loans	-	-	8.11	8.11	-	-	-	-
Other financial assets								
- Current	-	-	-	-	-	-	-	-
- Non-current	-	-	109.21	109.21	-	-	-	-
Total financial assets	**-**	**-**	**890.70**	**890.70**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings								
- Non-current	-	-	151.55	151.55	-	-	-	-
- Current	-	-	849.10	849.10	-	-	-	-
Lease liabilities								
- Non-current			302.57	302.57	-	-	-	-
- Current			94.82	94.82	-	-	-	-
Other financial liabilities								
- Current	-	-	175.15	175.15	-	-	-	-
Trade Payables	-	-	869.85	869.85	-	-	-	-
Total financial liabilities	**-**	**-**	**2,443.04**	**2,443.04**	**-**	**-**	**-**	**-**

(All amounts are in INR millions except per share data or as otherwise stated)

43 Financial instruments – Fair values and risk management (continued)

a) Financial instruments by category and their fair value (continued)

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

As at 31 March 2022	**Carrying amount**				**Fair value**			
	FVTPL	**FVOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level 2 - Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets not measured at fair value								
Trade Receivables	-	-	491.62	491.62	-	-	-	-
Cash and Cash Equivalents	-	-	92.99	92.99	-	-	-	-
Other Bank Balances	-	-	64.65	64.65	-	-	-	-
Loans	-	-	5.88	5.88	-	-	-	-
Other financial assets								
- Current	-	-	-	-	-	-	-	-
- Non-current	-	-	106.34	106.34	-	-	-	-
Total financial assets	**-**	**-**	**761.48**	**761.48**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings								
- Non-current	-	-	28.52	28.52	-	-	-	-
- Current	-	-	820.52	820.52	-	-	-	-
Lease liabilities								
- Non-current			293.62	293.62	-	-	-	-
- Current			86.72	86.72	-	-	-	-
Other financial liabilities								
- Current	-	-	130.97	130.97	-	-	-	-
Trade Payables	-	-	811.30	811.30	-	-	-	-
Total financial liabilities	**-**	**-**	**2,171.65**	**2,171.65**	**-**	**-**	**-**	**-**

As at 31 March 2021	**Carrying amount**				**Fair value**			
	FVTPL	**FVOCI**	**Amortised Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level 2 - Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets not measured at fair value								
Trade Receivables	-	-	419.23	419.23	-	-	-	-
Cash and Cash Equivalents	-	-	226.71	226.71	-	-	-	-
Other Bank Balances	-	-	63.40	63.40	-	-	-	-
Loans			4.86	4.86	-	-	-	-
Other financial assets								
- Current			-	-	-	-	-	-
- Non-current	-	-	113.99	113.99	-	-	-	-
Total financial assets	**-**	**-**	**828.19**	**828.19**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Borrowings								
- Non-current	-	-	28.99	28.99	-	-	-	-
- Current			943.75	943.75	-	-	-	-
Lease liabilities								
- Non-current			283.15	283.15	-	-	-	-
- Current			80.66	80.66	-	-	-	-
Other financial liabilities								
- Current	-	-	131.43	131.43	-	-	-	-
Trade Payables	-	-	568.21	568.21	-	-	-	-
Total financial liabilities	**-**	**-**	**2,036.19**	**2,036.19**	**-**	**-**	**-**	**-**

Notes :-

The Group has not disclosed the fair value of financial instruments such as trade receivables, trade payables, short term loans, deposits etc. because their carrying amounts are a reasonable approximation of fair value.

The carrying amounts of the borrowings that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

b) Measurement of fair values :

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There were no changes made during the period/year to valuation menthods or the processes to determine classification of level.

(All amounts are in INR millions except per share data or as otherwise stated)

c) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group has a well-defined risk management framework. The Board of Directors of the Group has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

▪ Credit risk ;
▪ Liquidity risk ; and
▪ Market risk

i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Group. The potential activities where credit risks may arise include from cash and cash equivalents, security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Group has a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions.

The ageing analysis of trade receivables is disclosed in Note 10.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. The Group assesses and manages credit risk based on the Group's credit policy. The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The movement in Provision for Loss Allowance is as follows:

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Balance at the beginning of the period/year	**25.49**	**28.78**	**3.64**	**3.64**
Movements in allowance:				
Trade receivables written off	-	(3.29)	-	
Additional provision		-	25.14	-
Closing balance	**25.49**	**25.49**	**28.78**	**3.64**

Following table provides information about the exposure to credit risk and ECL for trade receivables and contract assets from Individual customers

30 September 2023	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impairment
Credit impaired	100.00%	25.49	(25.49)	Yes
Others	0.00%	497.12	-	No
		522.61	**(25.49)**	

31 March 2023	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impairment
Credit impaired	100.00%	25.49	(25.49)	Yes
Others	0.00%	356.39	-	No
		381.88	**(25.49)**	

31 March 2022	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impairment
Credit impaired	100.00%	28.78	(28.78)	Yes
Others	0.00%	491.63	-	No
		520.41	**(28.78)**	

31 March 2021	Weighted average loss rate	Gross carrying amount	Loss allowance	Credit impairment
Credit impaired	100.00%	3.64	(3.64)	Yes
Others	0.00%	419.23	-	No
		422.87	**(3.64)**	

The Group trade receivables are geographically dispersed. The Management do not believe there are any particular customers or group of customers that would subject the Group to any significant credit risks in the collection of accounts receivable.

Other financial assets

Other financial assets includes loan to employees, security deposits, investments, cash and cash equivalents, other bank balance, advances to employees etc.

• Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating.

• Group has given security deposit to state government companies for electricity supply . Being government companies, the Group does not have exposure to any credit risk.

(All amounts are in INR millions except per share data or as otherwise stated)

Financial instruments – Fair values and risk management (continued)

c) Financial risk management (continued)

ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Groups financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The group has practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Financing arrangement

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Floating rate				
Expiring within one year	747.23	695.23	609.00	166.65
Expiring after one year	-	-	-	-
Total	**747.23**	**695.23**	**609.00**	**166.65**

Further, the Group has also tied-up additional sources of liquidity to meet the liabilities during the respective annual years which has ensured that the Group has a clean track record with no adverse events pertaining to liquidity risk.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

30 September 2023	**Carrying amount**	**Contractual maturities**			
		Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Non current borrowings	855.67	947.42	53.28	877.60	16.54
Current Borrowings	908.12	908.12	908.12	-	-
Non current lease liabilities	364.61	466.75	-	393.58	73.17
Current lease liabilities	115.65	120.39	120.39	-	-
Current financial liabilities	302.12	302.12	302.12	-	-
Trade payables	944.77	944.77	944.77	-	-
Total	**3,490.94**	**3,689.57**	**2,328.68**	**1,271.18**	**89.71**

31 March 2023	**Carrying amount**	**Contractual maturities**			
		Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Non current borrowings	151.55	227.66	50.22	165.21	12.23
Current Borrowings	849.10	849.10	849.10	-	-
Non current lease liabilities	302.57	391.68	-	314.95	76.72
Current lease liabilities	94.82	100.11	100.11	-	-
Current financial liabilities	175.15	175.15	175.15	-	-
Trade payables	869.85	869.85	869.85	-	-
Total	**2,443.04**	**2,613.55**	**2,044.43**	**480.16**	**88.95**

31 March 2022	**Carrying amount**	**Contractual maturities**			
		Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Non current borrowings	28.52	77.68	47.39	30.30	-
Current Borrowings	820.52	802.11	802.11	-	-
Non current lease liabilities	293.62	392.48	-	273.60	118.88
Current lease liabilities	86.72	91.74	91.74	-	-
Current financial liabilities	130.97	130.97	130.97	-	-
Trade payables	811.30	811.30	811.30	-	-
Total	**2,171.65**	**2,306.28**	**1,883.51**	**303.90**	**118.88**

31 March 2021	**Carrying amount**	**Contractual maturities**			
		Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Non current borrowings	28.99	97.26	46.78	50.48	-
Current Borrowings	943.75	923.33	923.33	-	-
Non current lease liabilities	283.15	484.22	-	311.05	173.17
Current lease liabilities	80.66	99.20	99.20	-	-
Non current financial liabilities	-	-	-	-	-
Current financial liabilities	131.43	133.98	133.98	-	-
Trade payables	568.21	568.21	568.21	-	-
Total	**2,036.19**	**2,306.20**	**1,771.50**	**361.53**	**173.17**

Financial instruments – Fair values and risk management (continued)

c) Financial risk management (continued)

(iii) Market risk - Currency risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments.

The Group's operations result in it being exposed to foreign currency risk on account of trade receivables, trade payables and borrowings. The foreign currency risk may affect the Group's income and expenses, or its financial position and cash flows. The objective of the Group's management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns. The Group's exposure to, and management of these risks is explained below

The Group's exposure to foreign currency risk at the end of the reporting period/year expressed in million are as follows:

Particulars	Foreign Currency	30 September 2023 Amount in currency million		31 March 2023 Amount in currency million		31 March 2022 Amount in currency million		31 March 2021 Amount in currency million	
		Foreign	Local	Foreign	Local	Foreign	Local	Foreign	Local
Receivables	USD	4.33	359.34	3.20	262.86	3.50	261.26	1.55	113.60
	EURO	-	-	0.00	0.44	0.00	0.12	-	-
	GBP	0.00	0.09	0.00	0.09	-	-	-	-
Balance in EEFC account	USD	1.41	116.83	1.24	102.25	0.29	22.13	0.11	8.40
Cash Credit Facility	USD	-	-	-	-	0.13	10.19	-	-
Term Loan	USD	0.23	18.93	0.27	22.09	0.35	26.42	0.17	11.85
Loan from Bank - Buyers Credit	USD	0.58	48.27	1.65	135.96	3.00	227.61	2.61	191.36
	EURO	-	-	-	-	-	-	0.08	7.27
Payables	USD	1.60	132.67	1.37	112.78	1.40	107.69	0.73	53.64
	EURO	0.02	1.73	0.03	2.75	0.03	2.54	0.04	3.21
	GBP	-	-	0.01	0.70	0.02	2.36	0.03	2.68
Net Exposure	USD	3.33	276.31	1.15	94.27	(1.10)	(88.53)	(1.85)	(134.84)
	EURO	(0.02)	(1.73)	(0.03)	(2.31)	(0.03)	(2.43)	(0.04)	(3.21)
	GBP	0.00	0.09	(0.01)	(0.61)	(0.02)	(2.36)	(0.03)	(2.68)

A 10% strengthening/weakening of the respective foreign currencies with respect to functional currency of the Group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect	Profit or (Loss)/ Equity			
	30 September 2023	31 March 2023	31 March 2022	31 March 2021
USD	27.63	9.43	(8.85)	(13.48)
EURO	(0.17)	(0.23)	(0.24)	(0.32)
GBP	0.01	(0.06)	(0.24)	(0.27)
Total	**27.47**	**9.14**	**(9.33)**	**(14.07)**

If the rate is increased by 10% then there will be increase in profit and equity of Rs. 27.47 million for the period ended 30 September 2023, Rs. 9.14 million for the year ended 31 March 2023, decrease in profit and equity of INR 9.33 million for the year ended 31 March 2022 and decrease in profit and equity of INR 14.07 million for the year ended 31 March 2021.

Market risk - Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Group's portfolio of borrowings comprise of a mix of fixed rate and floating rate loans which are monitored continuously in the light of market conditions.

Variable-rate instruments	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Non current - Borrowings	855.67	151.55	28.52	28.99
Current Borrowings	615.65	515.33	480.85	573.35
Current portion of Long term borrowings	41.23	37.78	21.80	23.62
Total	**1,512.55**	**704.66**	**531.17**	**625.96**

(All amounts are in INR millions except per share data or as otherwise stated)

Financial instruments – Fair values and risk management (continued)

c) Financial risk management (continued)

(iii) Market risk - Currency risk (continued)

Market risk - Interest rate risk (continued)

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. Since no interest rate exposure is perceived on fixed rate loans, the same have been excluded from the sensitivity analysis. A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased/(decreased) Equity and Profit or Loss by the amount shown below:

	Profit or (Loss)		Equity (net of tax)	
Particulars	**50 bp Increase**	**50 bp decrease**	**50 bp Increase**	**50 bp decrease**
30 September 2023				
Non current - Borrowings	(4.28)	4.28	(3.20)	3.20
Current Borrowings	(3.08)	3.08	(2.30)	2.30
Current portion of Long term borrowings	(0.21)	0.21	(0.15)	0.15
Total	**(7.55)**	**7.55**	**(5.66)**	**5.66**
31 March 2023				
Non current - Borrowings	(0.76)	0.76	(0.57)	0.57
Current Borrowings	(2.58)	2.58	(1.93)	1.93
Current portion of Long term borrowings	(0.19)	0.19	(0.14)	0.14
Total	**(3.53)**	**3.53**	**(2.64)**	**2.64**
31 March 2022				
Non current - Borrowings	(0.14)	0.14	(0.11)	0.11
Current Borrowings	(2.40)	2.40	(1.80)	1.80
Current portion of Long term borrowings	(0.11)	0.11	(0.08)	0.08
Total	**(2.65)**	**2.65**	**(1.99)**	**1.99**
31 March 2021				
Non current - Borrowings	(0.14)	0.14	(0.11)	0.11
Current Borrowings	(2.87)	2.87	(2.15)	2.15
Current portion of Long term borrowings	(0.12)	0.12	(0.09)	0.09
Total	**(3.13)**	**3.13**	**(2.35)**	**2.35**

Capital Management

The Company defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The primary objective of the Group's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total interest-bearing loans and borrowings less cash and bank balances. Total equity comprises all components of equity.

The Group's adjusted net debt to equity ratio was as follows.

	30 September 2023	**31 March 2023**	**31 March 2022**	**31 March 2021**
Interest bearing borrowings	1,763.79	1,000.64	849.04	972.74
Net Debt	1,763.79	1,000.64	849.04	972.74
Total Equity	4,221.89	3,553.45	2,580.94	2,416.79
Adjusted Net Debt to Adjusted Equity Ratio	**0.42**	**0.28**	**0.33**	**0.40**

(All amounts are in INR millions except per share data or as otherwise stated)

44 Related Parties

a. Holding Companies

Name of the Related Party	Nature of Relationship
F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	Holding company

b. Fellow Subsidiary Companies

Name of the entity	Nature of Relationship
Dixon Ticonderoga Company	Fellow Subsidiary
Fila Argentina s.a.	Fellow Subsidiary
Fila Chile Ltda	Fellow Subsidiary
Fila Art and Craft	Fellow Subsidiary
Johann Froescheis Lyra	Fellow Subsidiary
Fila Dixon Stationery (Kunshan) Co.	Fellow Subsidiary
Dixon Comercializadora, S.A De C.V	Fellow Subsidiary
Daler Rowney Limited	Fellow Subsidiary
Fila Canson Do Brasil Prod. De Arte	Fellow Subsidiary
Pt. Lyra Akrelux	Fellow Subsidiary
Canson Sas France	Fellow Subsidiary
St. Cuthberts Mill Limited	Fellow Subsidiary

c. Subsidiary Companies and Associate Company

Name of the entity	Nature of Relationship
Pioneer Stationery Private Limited	Subsidiary company
Micro Wood Private Limited	Subsidiary company w.e.f 01 August 2023
Uniwrite Pens & Plastics Private Limited	Subsidiary company till 27 March 2023
Inxon Pens & Stationery Private Limited	Subsidiary company till 27 March 2023
Fixy Adhesives Private Limited	Subsidiary company till 27 March 2023
Clapjoy Innovations Private Limited	Associate Company

d. Key Management Personnel and their Relatives

Name of the person	Nature of Relationship
Key Management Personnel & Non-Executive Directors	
Mr. Santosh R Raveshia	Managing Director
Mr. Sanjay M Rajani	Whole-time Director
Mrs. Chandni V Somaiya	Whole-time Director
Mr. Ketan M Rajani	Whole-time Director
Mr. Gianmatteo Terruzzi	Independent Director w.e.f. 14 July 2023
Mr. Rajiv Mistry	Independent Director w.e.f. 14 July 2023
Mr. Mehul Shah	Independent Director w.e.f. 14 July 2023
Mrs. Darshika Thacker	Independent Director w.e.f. 14 July 2023
Mr. Rahul Shah	Chief Financial Officer w.e.f. 12 December 2022
Mr. Mitesh Padia	Company Secretary w.e.f. 6 July 2023
Relatives of Key Management Personnel	
Mrs. Sejal S Raveshia	Spouse of Mr. Santosh R Raveshia
Mrs. Pravina M Rajnai	Mother of Mr. Sanjay M Rajani & Mr. Ketan M Rajani
Mrs. Ila S Rajani	Spouse of Mr. Sanjay M Rajani
Mrs. Shilpa K Rajani	Spouse of Mr. Ketan M Rajani
Mr. Vijay C Somaiya	Spouse of Mrs. Chandni V Somaiya
Mrs. Sheetal H Parpani	Sister of Santosh Raveshia
Ms. Vidhi Sanjay Rajani	Daughter of Mr. Sanjay M Rajani
Mrs. Muskan Ishan Parikh	Daughter of Mr. Santosh R Raveshia
Other Related Parties	
Commander Products	Entities over which KMPs/ directors and/ or their relatives are able exercise significant influence
Kika V-Comm Private Limited	Entities over which KMPs/ directors and/ or their relatives are able exercise significant influence
Rasiklal and Mansukhlal Corporate Advisors LLP	Entities over which KMPs/ directors and/ or their relatives are able exercise significant influence
Micro Wood Private Limited (till 31 July 2023)	Entities over which KMPs/ directors and/ or their relatives are able exercise significant influence
Khaitan & Co*	A firm, in which director, is a partner

**Related party w.e.f 14 July 2023*

(All amounts are in INR millions except per share data or as otherwise stated)

Transactions with related parties during the period/year

i. Transactions with Holding Company

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Sale of goods or services	F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	137.19	302.74	194.97	155.93
	Total	**137.19**	**302.74**	**194.97**	**155.93**
Purchase of goods or services	F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	2.57	5.40	-	4.69
	Total	**2.57**	**5.40**	-	**4.69**
Guarantee Fees Paid	F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	2.47	5.17	5.03	-
	Total	**2.47**	**5.17**	**5.03**	-
Dividend Paid	F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	47.50	28.50	-	-
	Total	**47.50**	**28.50**	-	-

ii. Balances with Holding Company

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Net Amount Receivable	F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A.	27.82	15.68	45.13	26.00
	Total	**27.82**	**15.68**	**45.13**	**26.00**

iii. Transactions with Subsidiary Companies and Associate Company

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Rent paid	Uniwrite Pens and Plastics Private Limited	-	0.15	0.15	1.73
	Total	-	**0.15**	**0.15**	**1.73**
Rent received	Pioneer Stationery Private Limited	0.03	0.06	0.06	0.06
	Micro Wood Private Limited	0.68	-	-	-
	Total	**0.71**	**0.06**	**0.06**	**0.06**
Royalty received	Pioneer Stationery Private Limited	4.83	7.03	2.66	1.97
	Total	**4.83**	**7.03**	**2.66**	**1.97**
Guarantee Fees income	Pioneer Stationery Private Limited	0.83	1.69	1.83	1.74
	Total	**0.83**	**1.69**	**1.83**	**1.74**
Reimbursement of expenses	Uniwrite Pens and Plastics Private Limited	-	-	-	0.03
	Pioneer Stationery Private Limited	-	0.02	0.01	0.01
	Total	-	**0.02**	**0.01**	**0.04**
Sale of goods or services	Pioneer Stationery Private Limited	18.38	8.22	16.33	12.76
	Micro Wood Private Limited	0.04	-	-	-
	Total	**18.42**	**8.22**	**16.33**	**12.76**
Purchase of goods or services	Pioneer Stationery Private Limited	48.04	86.16	58.26	35.94
	Micro Wood Private Limited	111.55	-	-	-
	Total	**159.59**	**86.16**	**58.26**	**35.94**
Purchase of Plant & Machinery	Uniwrite Pens and Plastics Private Limited	-	4.70	-	9.71
	Total	-	**4.70**	-	**9.71**
Sale of Plant & Machinery	Pioneer Stationery Private Limited	-	-	-	0.20
	Total	-	-	-	**0.20**
Purchase of shares	Clapjoy Innovations Private Limited	-	15.02	-	-
	Inxon Pens & Stationery Private Limited	-	-	-	0.05
	Fixy Adhesives Private Limited	-	-	-	0.10
	Total	-	**15.02**	-	**0.15**

iv. Balances with Subsidiary and Associate

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Net Amount Payable	Uniwrite Pens and Plastics Private Limited	-	-	0.03	10.05
	Pioneer Stationery Private Limited	5.58	8.68	0.56	27.75
	Micro Wood Private Limited	103.49	-	-	-
	Clapjoy Innovations Private Limited	-	7.51	-	-
	Total	**109.07**	**16.19**	**0.59**	**37.80**

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
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Notes to Restated Consolidated Financial Information
(All amounts are in INR millions except per share data or as otherwise stated)

v. Transactions with Fellow Subsidiary

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Sale of goods or services	Dixon Ticonderoga Company	592.44	1,111.33	776.23	436.92
	Fila Argentina s.a.	7.85	39.71	19.48	21.73
	Fila Chile Ltda	45.08	51.64	22.13	30.27
	Fila Art and Craft	3.21	8.86	5.38	12.35
	Johann Froescheis Lyra	4.25	5.36	5.58	8.54
	Fila Dixon Stationery (Kunshan) Co.	2.57	2.44	-	3.42
	Dixon Comercializadora, S.A De C.V	8.15	-	19.14	5.85
	Daler Rowney Limited	1.77	13.58	3.88	1.57
	Fila Canson Do Brasil Prod. De Arte	19.45	31.79	6.97	8.24
	Pt. Lyra Akrelux	4.10	14.20	11.54	8.31
	Canson Sas France	27.76	4.42	-	-
	Total	**716.63**	**1,283.33**	**870.33**	**537.20**
Purchase of goods or services	Canson Sas France	73.03	61.94	34.82	21.92
	Daler Rowney Limited	1.21	4.29	3.11	10.04
	Johann Froescheis Lyra	-	1.24	-	5.84
	Dixon Ticonderoga Company	1.31	1.52	5.99	4.28
	St. Cuthberts Mill Limited	-	0.67	2.21	1.19
	Total	**75.55**	**69.66**	**46.13**	**43.27**
Sale of Plant & Machinery	Fila Argentina s.a.	-	-	-	1.03
	Total	-	-	-	**1.03**

vi. Balances with Fellow Subsidiary

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Net Amount Receivable	Dixon Ticonderoga Company	125.93	111.43	150.16	49.33
	Fila Argentina s.a.	14.20	25.30	7.62	6.66
	Pt. Lyra Akrelux	-	3.98	5.94	-
	Johann Froescheis Lyra	-	-	-	1.78
	Fila Art and Craft	-	8.88	5.49	6.11
	Dixon Comercializadora, S.A De C.V	-	-	8.55	-
	Fila Canson Do Brasil Prod. De Arte	5.11	6.20	2.57	7.42
	Fila Dixon Stationery (Kunshan) Co.	0.45	-	-	-
	Fila Chile Ltda	30.01	6.02	-	-
	Daler Rowney Limited	0.09	4.31	-	-
	Canson Sas France	16.05	-	-	
	Total	**191.84**	**166.12**	**180.33**	**71.30**
Net Amount Payable	Daler Rowney Limited	-	-	2.36	1.08
	Canson Sas France	20.62	5.48	10.18	9.30
	Johann Froescheis Lyra	-	0.23	-	-
	Total	**20.62**	**5.71**	**12.54**	**10.38**

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vii. Payments to Key Management Personnel, Non-Exectuvie Directors and their relatives:

Particulars	Name of Party	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Remuneration	Mr. Santosh R Raveshia	7.50	15.44	11.00	7.48
	Mr. Sanjay M Rajani	5.10	10.51	7.87	4.73
	Mrs. Chandni V Somaiya	5.10	10.51	7.87	4.77
	Mr. Ketan M Rajani	5.10	10.51	7.84	4.73
	Mr. Vijay C Somaiya	1.80	3.70	2.50	2.25
	Mrs. Sheetal H Parpani	2.01	4.17	3.71	2.23
	Mrs. Sejal S Raveshia	3.12	6.43	4.83	3.28
	Mr. Rahul Shah	3.10	3.12	-	-
	Mr. Mitesh Padia	0.50	-	-	-
	Total	**33.33**	**64.39**	**45.62**	**29.47**
Director sitting fees	Mr. Gianmatteo Terruzzi	0.25	-	-	-
	Mr. Rajiv Mistry	0.19	-	-	-
	Mr. Mehul Shah	0.08	-	-	-
	Mrs. Darshika Thacker	0.34	-	-	-
	Total	**0.86**	**-**	**-**	**-**
Consultancy Charges	Mrs. Jinal Shah	0.90	0.46	-	-
	Total	**0.90**	**0.46**	**-**	**-**
Rent Paid	Mrs. Ila S Rajani	0.08	0.15	0.13	0.13
	Mrs. Shilpa K Rajani	0.08	0.15	0.13	0.13
	Total	**0.15**	**0.30**	**0.26**	**0.26**
Reimbursement of Expenses	Mr. Ketan M Rajani	0.08	0.17	0.21	0.02
	Mr. Rahul Shah	10.53	0.49	-	-
	Total	**10.61**	**0.66**	**0.21**	**0.02**
Loan Taken	Mr. Santosh R Raveshia	378.55	5.00	-	228.60
	Mrs. Chandni V Somaiya	32.50	-	-	10.00
	Mr. Ketan M Rajani	105.35	-	-	29.00
	Mr. Sanjay M Rajani	50.00	-	-	-
	Mrs. Sejal S Raveshia	-	-	-	41.40
	Mrs. Muskan Ishan Parikh	10.00	-	10.00	-
	Total	**576.40**	**5.00**	**10.00**	**309.00**
Loan Repaid	Mr. Santosh R Raveshia	-	25.00	39.20	-
	Mr. Ketan M Rajani	-	-	2.08	29.42
	Mr. Sanjay Rajani	-	-	-	7.50
	Mrs. Sejal S Raveshia	52.40	-	6.85	-
	Mrs. Muskan Ishan Parikh	10.00	-	-	-
	Ms. Vidhi Sanjay Rajani	5.00	-	-	-
	Total	**67.40**	**25.00**	**48.13**	**36.92**
Interest Paid	Mr. Santosh R Raveshia	16.30	16.42	21.14	17.66
	Mrs. Chandni V Somaiya	0.98	0.90	0.92	0.71
	Mr. Ketan M Rajani	1.60	-	0.08	0.27
	Mrs. Sejal S Raveshia	1.45	5.05	6.09	5.06
	Mr. Sanjay Rajani	0.75	-	-	0.79
	Ms. Vidhi Sanjay Rajani	0.27	0.60	0.60	0.55
	Mrs. Muskan Ishan Parikh	0.57	1.20	0.20	-
	Total	**21.92**	**24.17**	**29.03**	**25.04**
Consideration towards Purchase of Shares of Micro Wood Private Limited	Mr. Santosh R Raveshia	442.47	-	-	-
	Mr. Ketan Rajani	141.12	-	-	-
	Mr. Sanjay Rajani	70.56	-	-	-
	Mrs. Chandni Somaiya	22.05	-	-	-
	Mrs. Sheetal Parpani	22.05	-	-	-
	Mrs. Muskan Ishan Parikh	1.23	-	-	-
	Total	**699.48**	**-**	**-**	**-**
Dividend Paid	Mr. Santosh R Raveshia	15.83	9.50	-	-
	Mr. Sanjay M Rajani	8.04	4.82	-	-
	Mrs. Chandni V Somaiya	3.73	2.24	-	-
	Mr. Ketan M Rajani	8.04	4.82	-	-
	Mrs. Sheetal H Parpani	3.73	2.24	-	-
	Mrs. Sejal S Raveshia	3.73	2.24	-	-
	Mrs. Ila S Rajani	0.85	0.51	-	-
	Mrs. Shilpa K Rajani	0.85	0.51	-	-
	Mrs. Pravina M Rajani	0.85	0.51	-	-
	Total	**45.63**	**27.39**	**-**	**-**
Sale of Shares of subsidiary companies	Mrs. Chandni Somaiya	-	0.09	-	-
	Mr. Ketan Rajani	-	0.03	-	-
	Mr. Sanjay Rajani	-	0.03	-	-
	Total	**-**	**0.15**	**-**	**-**

Remuneration to Directors / KMP's does not include Gratuity and Leave Encashment benefits as the amount attributable to the managerial persons cannot be ascertained seperately.

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viii Balances with Key Management Personnel, Non-Executive Directors and their relatives

Particulars	Name of Party	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Net Amount Payable	Mr. Santosh R Raveshia	687.04	180.64	200.54	241.14
	Mr. Sanjay M Rajani	5.91	0.59	0.45	0.53
	Mrs. Chandni V Somaiya	43.33	10.56	10.50	10.53
	Mr. Ketan M Rajani	106.61	0.56	0.43	2.51
	Mrs. Sheetal H Parpani	0.25	0.25	0.22	0.25
	Mrs. Sejal S Raveshia	0.36	53.04	57.74	64.22
	Mrs. Ila S Rajani	0.01	0.01	0.01	0.01
	Mrs. Shilpa K Rajani	0.01	0.01	0.01	0.01
	Mr. Vijay C Somaiya	0.22	0.20	0.17	0.15
	Mr. Rahul Shah	0.36	0.33	-	-
	Mrs. Jinal Shah	0.14	-	-	-
	Ms. Vidhi Sanjay Rajani	5.04	5.00	5.00	5.00
	Mrs. Muskan Ishan Parikh	10.00	10.00	10.00	-
	Mr. Mitesh Padia	0.08	-	-	-
	Mr. Gianmatteo Terruzzi	0.25	-	-	-
	Mr. Rajiv Mistry	0.19	-	-	-
	Mr. Mehul Shah	0.08	-	-	-
	Mrs. Darshika Thacker	0.34	-	-	-
	Total	**860.22**	**261.19**	**285.07**	**324.35**

ix. Transactions with entities over which KMPs/ directors and/or their relatives are able to exercise significant influence or a firm in which director is a partner

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Rent Paid	Commander Products	0.84	1.68	1.68	1.61
	Rasiklal and Mansukhlal Corporate Advisors LLP	5.50	10.64	10.14	8.88
	Total	**6.34**	**12.32**	**11.82**	**10.49**
Rent Received	Micro Wood Private Limited	1.17	2.36	0.68	-
	Total	**1.17**	**2.36**	**0.68**	**-**
Sale of goods or services	Micro Wood Private Limited	0.24	18.78	2.70	17.76
	Kika V-Comm Private Limited	2.67	7.21	-	-
	Total	**2.91**	**25.99**	**2.70**	**17.76**
Purchase of goods or services	Micro Wood Private Limited	239.13	527.67	264.65	91.79
	Kika V-Comm Private Limited	0.33	0.02	-	-
	Khaitan & Co	6.04	-	-	-
	Total	**245.50**	**527.69**	**264.65**	**91.79**
Sale of Plant & Machinery	Micro Wood Private Limited	-	-	0.60	-
	Total	**-**	**-**	**0.60**	**-**
Brand management fees paid	Kika V-Comm Private Limited	-	-	1.01	1.04
	Total	**-**	**-**	**1.01**	**1.04**

x. Balances with entities over which KMPs/ Directors and/or their relatives are able to exercise significant influence or a firm in which director is a partner

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Net Amount Payable	Commander Products	0.13	0.13	0.13	0.11
	Rasiklal and Mansukhlal Corporate Advisors LLP	1.02	0.97	0.93	0.90
	Kika V-Comm Private Limited	-	-	-	0.17
	Khaitan & Co	2.02	-	-	-
	Micro Wood Private Limited	-	63.14	13.73	11.69
	Total	**3.17**	**64.24**	**14.79**	**12.87**

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Net Amount Receivable	Kika V-Comm Private Limited	0.82	1.79	-	-
	Total	**0.82**	**1.79**	-	-

xi. Guarantees issued on behalf of subsidiary

Particulars	Name of Entity	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Guarantee outstanding*	Pioneer Stationery Private Limited	110.00	110.00	117.30	117.30
	Total	**110.00**	**110.00**	**117.30**	**117.30**

*complied with section 186(4) of Companies Act, 2013.

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances on at the year end are unsecured and settlement occurs in cash.

(All amounts are in INR millions except per share data or as otherwise stated)

45 Ind AS 115 – Revenue from Contracts with Customers

i) The Group is in the business of manufacturing, trading and selling of stationery. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery depending on the contractual terms with the customers. Accruals for discounts/incentives are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. The Group has a credit evaluation policy based on which the credit limits for the trade receivables are established and the Group does not give significant credit period resulting in no significant financing component.

ii) Reconciliation of Revenue as per contract price and as recognised in Statement of Profit and Loss:

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from contracts with customer as per Contract price	7,768.39	12,317.34	6,930.95	4,130.45
Less: Discounts, incentives, rebates	(165.30)	(240.74)	(126.75)	(126.86)
Revenue from contracts with customer as per Statement of Profit and Loss	**7,603.09**	**12,076.60**	**6,804.20**	**4,003.59**

Disaggregation of revenue from contract with customers

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Geography				
Domestic	6,162.14	9,502.13	5,158.09	3,001.91
Exports	1,440.95	2,574.47	1,646.11	1,001.68
Total (net of discounts, incentives, rebates)	**7,603.09**	**12,076.60**	**6,804.20**	**4,003.59**
Products				
Scholastic Stationery	3,543.59	5,688.06	3,269.83	1,910.03
Scholastic Art Material	2,029.86	2,927.97	1,663.70	975.20
Paper Stationery	773.15	1,273.52	640.78	402.54
Kits & Combos	672.58	1,263.83	796.86	464.95
Office Supplies	488.05	752.45	403.06	245.60
Hobby & Craft	112.64	157.26	6.46	3.72
Fine Art Products	83.18	141.69	96.20	58.13
Others	65.34	112.56	54.06	70.28
Less: Discounts, incentives, rebates	(165.30)	(240.74)	(126.75)	(126.86)
Total	**7,603.09**	**12,076.60**	**6,804.20**	**4,003.59**

iii) Performance obligation

Revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Revenue by time				
Revenue recognised at point in time	7,603.09	12,076.60	6,804.20	4,003.59
Revenue recognised over time	-	-	-	-
Total	**7,603.09**	**12,076.60**	**6,804.20**	**4,003.59**

iv) Contract Liability (advance from customers)

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Advance from Customers	180.54	161.70	51.10	28.54

46 Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, the the Company and its Subsidiaries has formed a Corporate Social Responsibility (CSR) Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure

i) Gross amount required to be spent by the Company and its Subsidiaries during the period ended 30 September 2023 Rs 9.30 million (31 March 2023:Rs 3.52 million, 31 March 2022: Rs 1.13 million, 31 March 202: Rs.8.67 million). During the current period ended 30 September 2023, the group has spent Rs. Nil (31 March 2022: Rs. 4.55 million, 31 March 2022: Rs. 1.20 million, 31 March 2021: Rs.15.6 million) for purpose other than construction/acquition of asset. Out of the excess amount spent, the group has carried forward (31 March 2023: Rs. 1.03 million, 31 March 2022: Rs. 1.12 million, 31 March 2021: Rs. 1.04 million) to next year to offset against the mandatory spend in the next year.

ii) **Amount spent during the period/year on*:**

Particulars	Period ended 30 September 2023*	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
(a) Construction / Acquisition of any assets	-	-	-	-
(b) Purpose other than (a) above	-	4.55	1.20	15.60

* For the FY 2023-24, the unspent CSR obligation as of 30 September 2023 will be spent by the Company over the next 6 months up to 31 March 2024.

(iii) Shortfall at the end of the period: Nil (31 March 2023: Nil, 31 March 2022: Nil, 31 March 2021: Nil).
(iv) Total of previous years shortfall: Nil (31 March 2023: Nil, 31 March 2022: Nil, 31 March 2021: Nil).
(v) Reason for shortfall : N.A.
(vi) Nature of CSR activities: Promoting healthcare, education, rural development, affordable housing, disaster relief, benefit of armed forces, socioeconomic development, relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward Classes and minorities and other areas of public service.
(vii) Details of related party transactions: N.A (31 March 2023: N.A., 31 March 2022: N.A., 31 March 2021: N.A.).
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: N.A. (31 March 2023: N.A., 31 March 2022: N.A., 31 March 2021: N.A.).

DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
Annexure VII
Notes to Restated Consolidated Financial Information
(All amounts are in INR millions except per share data or as otherwise stated)

Note 47 Additional Information required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
DOMS Industries Limited								
30 September 2023	89.07%	3,760.43	90.61%	670.49	96.98%	(11.15)	90.51%	659.34
31 March 2023	89.89%	3,194.22	86.11%	885.81	228.05%	(0.73)	86.06%	885.08
31 March 2022	91.63%	2,365.03	69.13%	118.49	100.00%	(7.25)	67.77%	111.24
31 March 2021	93.26%	2,253.79	206.47%	(124.41)	100.00%	10.76	229.62%	(113.65)
Indian Subsidiaries								
Pioneer Stationery Private Limited								
30 September 2023	5.16%	217.98	4.43%	32.78	1.54%	(0.18)	4.48%	32.60
31 March 2023	5.22%	185.37	7.34%	75.49	-65.30%	0.21	7.36%	75.69
31 March 2022	4.25%	109.68	18.47%	31.66	0.00%	-	19.28%	31.66
31 March 2021	3.23%	78.02	-56.67%	34.15	0.00%	-	-68.99%	34.15
Micro Wood Private Limited**								
30 September 2023	2.51%	105.89	0.52%	3.87	0.00%	-	0.53%	3.87
Uniwrite Pens and Plastics Private Limited								
31 March 2023*	0.00%	-	-0.28%	(2.87)	0.00%	-	-0.28%	(2.87)
31 March 2022	0.12%	3.01	-2.29%	(3.92)	0.00%	-	-2.39%	(3.92)
31 March 2021	0.29%	6.94	7.14%	(4.30)	0.00%	-	8.69%	(4.30)
Inxon Pens & Stationery Private Limited								
31 March 2023*	0.00%	0.02	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
31 March 2022	0.00%	0.03	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
31 March 2021	0.00%	0.04	0.03%	(0.02)	0.00%	-	0.03%	(0.02)
Fixy Adhesives Private Limited								
31 March 2023*	0.00%	-	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
31 March 2022	0.00%	0.07	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
31 March 2021	0.00%	0.08	0.04%	(0.02)	0.00%	-	0.05%	(0.02)
Non-Controlling Interest in all subsidiaries								
30 September 2023	5.82%	245.76	4.43%	32.79	1.48%	(0.17)	4.48%	32.62
31 March 2023	5.04%	179.13	6.86%	70.59	-62.74%	0.20	6.88%	70.79
31 March 2022	4.20%	108.47	16.21%	27.79	0.00%	-	16.93%	27.79
31 March 2021	3.34%	80.68	-49.65%	29.92	0.00%	-	-60.45%	29.92
Indian Associate								
Clapjoy Innovations Private Limited								
30 September 2023	0.36%	15.01	-0.12%	(0.88)	0.00%	-	-0.12%	(0.88)
31 March 2023	0.09%	3.08	0.00%	0.01	0.00%	-	0.00%	0.01
31 March 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Eliminations & Consolidation adjustments								
30 September 2023	-2.56%	(108.16)	0.00%	-	0.00%	-	0.00%	-
31 March 2023	-0.15%	(5.30)	-0.03%	(0.29)	0.00%	-	-0.03%	(0.29)
31 March 2022	-0.21%	(5.36)	-1.52%	(2.60)	0.00%	-	-1.59%	(2.61)
31 March 2021	-0.11%	(2.75)	-7.36%	4.43	0.00%	-	-8.95%	4.43
Total								
30 September 2023	**100.00%**	**4,221.89**	**100.00%**	**739.95**	**100.00%**	**(11.50)**	**100.00%**	**728.44**
31 March 2023	**100.00%**	**3,553.45**	**100.00%**	**1,028.71**	**100.00%**	**(0.32)**	**100.00%**	**1,028.39**
31 March 2022	**100.00%**	**2,580.94**	**100.00%**	**171.40**	**100.00%**	**(7.25)**	**100.00%**	**164.15**
31 March 2021	**100.00%**	**2,416.79**	**100.00%**	**(60.26)**	**100.00%**	**10.76**	**100.00%**	**(49.49)**

**Upto 27 March 2023*
*** W.e.f 1 August 2023*

Note 48 Interest in Subsidiaries

The Group's subsidiaries are as below:

Name of Entity	Place of business	% of effective ownership interest held by the Group				% of effective ownership interest held by Non-Controlling Interest			
		30 September 2023	31 March 2023	31 March 2022	31 March 2021	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Pioneer Stationery Private Limited	India	51.00%	51.00%	51.00%	51.00%	49.00%	49.00%	49.00%	49.00%
Micro Wood Private Limited**	India	75.00%	-	-	-	25.00%	NA	NA	NA
Uniwrite Pens and Plastics Private Limited*	India	-	-	60.00%	60.00%	-	NA	40.00%	40.00%
Inxon Pens & Stationery Private Limited*	India	-	-	51.00%	51.00%	-	NA	49.00%	49.00%
Fixy Adhesives Private Limited *	India	-	-	78.46%	78.46%	-	NA	21.54%	21.54%

*On 28 March 2023 (transaction date), Company sold all equity shares in its subsidiaries Uniwrite Pens and Plastics Private Limited, Inxon Pens & Stationery Private Limited and Fixy Adhesives Private Limited at fair value. This results in derecognition of its shares on the transaction date which was recognized as a gain in the statement of profit and loss. The financial statement of the group for these subsidiaries have been consolidated upto the transaction date.

***Subsidiary with effect from 1 August 2023*

Set out below is summarized financial information for each subsidiary decognised and resultant gain on sale of investment in subsidiaries

(Rs. in million)

	Uniwrite Pens and Plastics Pvt Ltd	Inxon Pens & Stationery Pvt Ltd	Fixy Adhesives Pvt Ltd	Total
Assets	0.60	0.06	0.09	0.75
Liabilities	0.36	0.02	0.02	0.40
Net Assets	**0.24**	**0.04**	**0.07**	**0.35**
Consideration received on sale of equity shares	0.15	0.05	0.10	0.30
Net gain/(loss) on sale of equity shares	**(0.09)**	**0.01**	**0.03**	**(0.05)**
Derecognition of Minority share in net assets	**0.10**	**0.02**	**0.02**	**0.13**

Non-Controlling Interest (NCI)

Set out below is summarized financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

(Rs. in million)

Balance Sheet	Pioneer Stationery Private Limited			
	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Non-current Assets	199.12	207.97	188.20	135.50
Current Assets	570.19	488.58	326.91	234.08
Total Assets	**769.31**	**696.55**	**515.11**	**369.57**
Non-current Liabilities	65.16	70.95	66.48	36.97
Current Liabilities	275.71	261.11	232.55	178.59
Total Liabilities	**340.87**	**332.05**	**299.03**	**215.56**
Net Assets	**428.44**	364.50	216.08	154.01
Accumulated NCI	**210.46**	**179.13**	**106.41**	**75.99**

(Rs. in million)

Statement of profit and loss	Pioneer Stationery Private Limited			
	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Revenue	850.20	1,404.63	736.74	489.72
Profit for the period/year	64.28	148.01	62.07	66.95
Other Comprehensive Income	(0.35)	0.41	-	-
Total Comprehensive Income	**63.93**	**148.42**	**62.07**	**66.95**
Profit allocated to NCI	**31.33**	**72.73**	**30.41**	**32.81**
Dividend paid to NCI	**-**	**-**	**-**	**-**

(Rs. in million)

Statement of cash flows	Pioneer Stationery Private Limited			
	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Cash flows from operating activities	38.75	61.18	53.91	(0.63)
Cash flows from investing activities	0.74	(22.86)	(40.95)	22.90
Cash flows from financing activities	(23.43)	4.16	(19.95)	(9.37)
Net Increase/(Decrease) in cash and cash equivalents	**16.04**	**42.48**	**(6.99)**	**12.90**

Non-Controlling Interest (NCI) (Continued)

Set out below is summarized financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

Micro Wood Private Limited **(Rs. in million)**

	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Non-current Assets	231.88	-	-	-
Current Assets	200.38	-	-	-
Total Assets	**432.26**	**-**	**-**	**-**
Non-current Liabilities	196.67	-	-	-
Current Liabilities	94.40	-	-	-
Total Liabilities	**291.07**	-	-	-
Net Assets	**141.19**	**-**	**-**	**-**
Accumulated NCI	**35.30**	**-**	**-**	**-**

Micro Wood Private Limited **(Rs. in million)**

Statement of profit and loss	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Revenue	127.30	-	-	-
Profit for the period/year	5.16	-	-	-
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**5.16**	**-**	**-**	**-**
Profit allocated to NCI	**1.29**	**-**	**-**	**-**
Dividend paid to NCI	**-**	**-**	**-**	**-**

Micro Wood Private Limited **(Rs. in million)**

Statement of cash flows	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Cash flows from operating activities	7.28	-	-	-
Cash flows from investing activities	(4.20)	-	-	-
Cash flows from financing activities	(3.40)	-	-	-
Net Increase/(Decrease) in cash and cash equivalents	**(0.33)**	**-**	**-**	**-**

(Rs. in million)

Balance Sheet	**Uniwrite Pens and Plastics Private Limited**		
	27 March 2023*	**31 March 2022**	**31 March 2021**
Non-current Assets	-	7.24	13.14
Current Assets	0.60	2.62	12.88
Total Assets	**0.60**	9.86	26.02
Non-current Liabilities	-	-	-
Current Liabilities	0.36	4.84	14.45
Total Liabilities	**0.36**	4.84	14.45
Net Assets	**0.24**	5.02	11.57
Accumulated NCI	**0.10**	2.01	4.63

(Rs. in million)

Statement of profit and loss	**Uniwrite Pens and Plastics Private Limited**		
	27 March 2023*	**31 March 2022**	**31 March 2021**
Revenue	0.44	0.15	1.73
Profit for the period/year	(4.79)	(6.55)	(7.17)
Other Comprehensive Income	-	-	-
Total Comprehensive Income	**(4.79)**	**(6.55)**	**(7.17)**
Loss allocated to NCI	**(1.91)**	**(2.62)**	**(2.87)**
Dividend paid to NCI	**-**	-	-

(Rs. in million)

Statement of cash flows	**Uniwrite Pens and Plastics Private Limited**		
	27 March 2023*	**31 March 2022**	**31 March 2021**
Cash flows from operating activities	0.33	8.64	(6.51)
Cash flows from investing activities	4.90	-	8.22
Cash flows from financing activities	(5.12)	(8.84)	(1.71)
Net (Decrease)/Increase in cash and cash equivalents	**0.12**	**(0.20)**	**0.01**

(Rs. in million)

Balance Sheet	Inxon Pens & Stationery Private Limited		
	27 March 2023*	31 March 2022	31 March 2021
Non-current Assets	-	-	-
Current Assets	0.06	0.07	0.08
Total Assets	**0.06**	**0.07**	**0.08**
Non-current Liabilities	-	-	-
Current Liabilities	0.02	0.01	0.01
Total Liabilities	**0.02**	**0.01**	**0.01**
Net Assets	0.04	0.06	0.07
Accumulated NCI	**0.02**	**0.03**	**0.03**

(Rs. in million)

Statement of profit and loss	Inxon Pens & Stationery Private Limited		
	27 March 2023*	31 March 2022	31 March 2021
Revenue	-	-	-
Profit for the period/year	(0.02)	(0.01)	(0.03)
Other Comprehensive Income	-	-	-
Total Comprehensive Income	**(0.02)**	**(0.01)**	**(0.03)**
Loss allocated to NCI	**(0.01)**	**(0.00)**	**(0.01)**
Dividend paid to NCI	**-**	**-**	**-**

(Rs. in million)

Statement of cash flows	Inxon Pens & Stationery Private Limited		
	27 March 2023*	31 March 2022	31 March 2021
Cash flows from operating activities	(0.01)	(0.01)	(0.03)
Cash flows from investing activities	-	-	-
Cash flows from financing activities	-	-	0.10
Net (Decrease) / Increase in cash and cash equivalents	**(0.01)**	**(0.01)**	**0.07**

Non-Controlling Interest (NCI) (Continued)

Set out below is summarized financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

(Rs. in million)

Balance Sheet	Fixy Adhesives Private Limited		
	27 March 2023*	31 March 2022	31 March 2021
Non-current Assets	-	-	-
Current Assets	0.09	0.10	0.11
Total Assets	**0.09**	**0.10**	**0.11**
Non-current Liabilities	-	-	-
Current Liabilities	0.02	0.01	0.01
Total Liabilities	**0.02**	**0.01**	**0.01**
Net Assets	**0.07**	**0.09**	**0.10**
Accumulated NCI	**0.02**	**0.02**	**0.02**

(Rs. in million)

Statement of profit and loss	Fixy Adhesives Private Limited		
	27 March 2023*	31 March 2022	31 March 2021
Revenue	-	-	-
Profit for the period/year	(0.02)	(0.01)	(0.03)
Other Comprehensive Income	-	-	-
Total Comprehensive Income	**(0.02)**	**(0.01)**	**(0.03)**
Loss allocated to NCI	**(0.00)**	**(0.00)**	**(0.01)**
Dividend paid to NCI	**-**	**-**	**-**

(Rs. in million)

Statement of cash flows	Fixy Adhesives Private Limited		
	27 March 2023*	31 March 2022	31 March 2021
Cash flows from operating activities	(0.01)	(0.01)	(0.03)
Cash flows from investing activities	-	-	-
Cash flows from financing activities	-	-	0.13
Net (Decrease)/ Increase in cash and cash equivalents	**(0.01)**	**(0.01)**	**0.10**

Note 49 Investment in Associate

On 21 February 2023, DOMS Industries Limited acquired 30% stake in Clapjoy Innovations Private Limited ("Clapjoy") for consideration in cash aggregating to Rs. 15.01 million of which Rs. 7.51 million has been paid subsequent to balance sheet date. Clapjoy is primarily engaged in manufacturing and sale of toys. The fair value of assets and liabilities acquired have been determined based on independent valuation report and goodwill of Rs. 14.19 million has been recognised, being excess of consideration transferred over the fair value of net assets acquired, in accordance with IND AS 103 'Business Combinations'.

(A) Goodwill disclosure as on date of acquisition

Assets and Liabilities recognised on the date of acquisition are as follows:

(Rs. in million)

Particulars	**Amount**
Assets	
Property, Plant and Equipment	1.58
Inventories	3.07
Trade receivables	2.19
Cash and cash equivalents	0.08
Other current assets	3.95
Total assets (a)	**10.87**
Liabilities	
Short term borrowings	2.33
Trade payables	5.45
Other current liabilites	0.36
Total liabilities (b)	**8.14**
Net assets (a-b)	**2.73**
Proportionate share in net assets of the acquiree on the date of acquisition	**0.82**

The excess of purchase consideration paid over the fair value of assets acquired has been attributed to goodwill.

Calculation of goodwill: **(Rs. in million)**

Particulars	**Amount**
Purchase consideration paid	**15.01**
Less: 30% of fair value in net identifiable assets of the acquiree on the date of acquisition	**(0.82)**
Goodwill	**14.19**

Goodwill is not deductible for income tax purposes.

Note 50 Acquisition of Subsidiary

On 1 August 2023, DOMS Industries Limited acquired equity stake of 75.00% in Micro Wood Private Limited, a company engaged in the business of manufacturing of decorative tin boxes and paper packaging products for a consideration of Rs. 705.60 million.

At 1 August 2023, the fair value of assets and liabilities acquired have been determined by the Company and accounted for in accordance with IND AS 103 – "Business Combination".

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

(Rs. in million)

Particulars	Amount
ASSETS	
Non-Current Assets	
Property, Plant and Equipment	157.17
Capital Work-in-Progress	3.36
Right of use Assets	46.63
Other Non-Current Assets	22.52
Total Non-Current Assets (A)	**229.68**
Current Assets	
Inventories	68.23
Financial Assets	
- Trade Receivables	107.66
- Cash And Cash Equivalents	0.50
- Loans	0.15
Other Current Assets	6.62
Total Current Assets (B)	**183.16**
Fair value of Assets acquired (C=A+B)	**412.83**
LIABILITIES	
Non-Current Liabilities	
Financial Liabilities	
- Borrowings	150.46
- Lease Liabilities	38.34
Provisions	4.20
Total Non-Current Liabilities (D)	**193.00**
Current Liabilities	
Financial Liabilities	
- Borrowings	17.60
- Lease Liabilities	9.89
- Trade Payables	28.47
- Other Financial Liabilities	9.04
Other Current Liabilities	4.02
Provisions	0.80
Current Tax Liabilities (Net)	13.97
Total Current Liabilities (E)	**83.81**
Fair value of Liabilities acquired (F=D+E)	**276.80**
Total Identifiable net assets acquired (C-F)	**136.03**

Note: For assets acquired and liabilities assumed fair value is the same as mentioned in above table

Goodwill

(Rs. in million)

Particulars	Amount
Consideration transferred	705.60
Non-controlled interest in the acquired entity, based on their proportionate interest in the recognised	34.01
Less: Net Identifiable assets acquired	136.03
Goodwill	**603.58**

Disclosure of the revenue and profit for current reporting period.

(Rs. in million)

Particulars	Revenue	Profit
Since the acquisition date	127.30	5.16
Had it been at the beginning of the reporting period	384.47	21.04

(All amounts are in INR millions except per share data or as otherwise stated)

51 Ratio Analysis

Particulars	Numerator	Denominator	30 September 2023*	31 March 2023	31 March 2022	31 March 2021	% change in 2022-23 & 2021-22	% change in 2021-22 & 2020-21	Explanation for change in the ratio by more than 25% in 2022-23 & 2021-22	Explanation for change in the ratio by more than 25% in 2021-22 & 2020-21
Current Ratio (times)	Current Assets	Current Liabilities	1.20	1.22	1.23	1.16	-0.99%	5.74%		
Debt-Equity Ratio (times)	Debt consists of borrowings	Total Equity	0.42	0.28	0.33	0.40	-14.40%	-18.27%		
Debt Service Coverage Ratio (times)	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest + Lease Payments + Principal Repayments	3.59	5.53	1.84	2.09	201.37%	-12.15%	Debt service coverage ratio improved due to increase in surplus from operational earnings.	
Net Profit Ratio (%)	Profit after tax	Revenue from operations	9.70%	8.49%	2.51%	-1.50%	238.56%	-267.61%	During the reporting period April 2021 to June 2021, the Company's operations and sales were negatively impacted due to strict covid restrictions on account of the second covid wave in the country. During 31 March 2023 reporting period, there were no such restrcitions.Thus Net Profit, Return on equity and Return on capital employed improved with improvement in business volumes and operating margins during the year ended 31 March 2023.	The Company's profit for FY 2020-21 was severely impacted due to the significant decline in revenues due to the Covid-19 related lockdown measures undertaken by the Central and various State Governments across the country. FY 2021-22 saw a marked improvement in revenues when compared to the previous year as restrictions were partially lifted from Q2-FY 2021-22 and completely eased from Q4-FY 2021-22. The increase in revenues compared to previous year coupled with cost optimisation and better working capital management has resulted in improvement in the Company's Net Profit and these related profitability ratios.
Return on Equity Ratio (%)	Profit after tax	Average Total Equity	19.01%	33.54%	6.86%	-2.47%	389.04%	-377.91%		
Return on Capital employed (%)	Profit before tax and finance cost	Total Equity + Total Borrowings + Deferred Tax Liabilities - Deferred tax assets	18.04%	33.31%	10.04%	0.36%	231.70%	2671.65%		
Return on Investment (%) - Deposits	Income generated from fixed deposits	Average invested funds fixed deposits	2.88%	5.84%	4.91%	4.63%	19.04%	5.96%		
Trade Receivables turnover ratio (times)	Revenue from operations	Average Trade Receivables	17.85	28.58	15.01	10.28	90.42%	45.99%	Trade receivable turnover ratio has improved on account of better realisations from customers.	Due to the impact of Covid-19 lockdown, the collection from customers was impacted in FY-2020-21, resulting in higher Trade Receivables. With the Company's operations being normalised from Q4-FY 2021-22, there has been significant improvement in collections, resulting in better trade receivable turnover ratio.
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	2.39	4.44	3.09	1.97	43.86%	56.30%	Inventory Turnover Ratio has improved on account of significant increase in demand and revenue of the company in 31 March 2023 compared to 31 March 2022.	The decline in revenues in FY 2020-21 due to the lockdown restrictions coupled with higher inventory levels had led to the decline in the inventory turnover in FY 2020-21. However, in FY 2021-22, with the increase in revenues there has been significant improvement in the inventory turnover ratios.
Trade payables turnover ratio (times)	Purchases	Average Trade Payables	5.14	9.38	6.82	3.82	37.58%	78.54%	Change in Trade Payable Turnover Ratio as compared to the 31 March 2022 is due to improvement in business volumes and increase in credit purchases.	Our payment's to suppliers were impacted in FY 2020-21 due to the detoriating liquidity position of the company on account of business being significantly lower during the lockdown.
Net capital turnover ratio (times)	Revenue from operations	Working Capital = Current assets - current liabilities	14.23	24.50	15.09	8.55	62.39%	76.47%	Net Capital turnover ratio has improved on account of significant increase in revenues in 31 March 2023 compared to 31 March 2022.	Net Capital turnover ratio has improved on account of significant increase in revenues in 31 March 2022 compared to 31 March 2021.

**Figures for six months period ended 30 September 2023 are not annualised.*

52 Transaction with Struck off Companies:

The group has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

53 Disclosure of Intermediaries

To the best of our knowledge and belief, The Company and its Subsidiaries has not advanced or loaned or invested funds - either borrowed funds or share premium or any other sources or kind of funds to any other person or entity, including foreign entities (Intermediaries) with an understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its Subsidiaries or provide any guarantee, security or the like to or on behalf of the Company and its Subsidiaries.

To the best of our knowledge and belief, The Company and its Subsidiaries has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding that the Company and its Subsidiaries shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

54 Other statutory information

i) The Company and its Subsidiaries does not have any Benami property, where any proceeding has been initiated or pending against the Company and its Subsidiaries for holding any Benami property.

ii) The Company and its Subsidiaries does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii) The Company and its Subsidiaries has not traded or invested in Crypto Currency or Virtual Currency during the financial year/period.

iv) The Company and its Subsidiaries does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period/year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

v) The Group is in compliance with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vi) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

vii) The Group has not been declared a willful defaulter by any bank or other lender (as defined under the Companies Act, 2013), in accordance with the guidelines on willful defaulters.

As per our examination report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
DOMS Industries Limited (formerly known as DOMS Industries Private Limited)
CIN: U36991GJ2006PLC049275

Tarun Kinger
Partner
Membership No: 105003
Place: Mumbai, India
Date: 24 November 2023

Santosh Raveshia
Managing Director
DIN: 00147624
Place: Umbergaon, India
Date: 24 November 2023

Sanjay Rajani
Whole-time Director
DIN: 03329095
Place: Umbergaon, India
Date: 24 November 2023

Rahul Shah
Chief Financial Officer

Place: Umbergaon, India
Date: 24 November 2023

Mitesh Padia
Company Secretary
Membership No: A58693
Place: Umbergaon, India
Date: 24 November 2023

OTHER FINANCIAL INFORMATION

Accounting ratios

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	As at/for the Fiscal ended			Six months period ended September 30, 2023
	March 31, 2021	March 31, 2022	March 31, 2023	
Basic earnings per share (*in ₹*)	(1.07)	3.05	18.29	13.14^
Diluted earnings per share (*in ₹*)	(1.07)	3.05	18.29	13.14^
Return on Equity (RoE) (in %)	N.A.	6.86	33.54	19.01^
EBITDA (*in ₹ million*)	300.25	697.13	1,866.60	1,274.45
EBITDA Margin (%)	7.45	10.20	15.40	16.73
Restated profit for the year/period after tax ("PAT") (*in ₹ million*)	(60.26)	171.4	1,028.71	739.06
PAT Margin (%)	(1.50)	2.51	8.49	9.70
Return on capital employed (RoCE) (%)	0.36	10.04	33.31	18.04^

N.A. for the Company refers to not available, as the restated consolidated financial information for Fiscal 2020 is not available.
^Not annualised.

Notes:

The ratios on the basis of Restated Consolidated Financial Information have been computed as below:

(i) Basic Earnings per Share = Restated profit for the period/year attributable to the equity holders of our Company/Weighted average number of equity shares outstanding during the period/year after considering Bonus shares which has been issued subsequent to March 31, 2023.

(ii) Diluted Earnings per Share = Restated profit for the period/year attributable to equity holders of our Company/Weighted average number of equity shares outstanding during the period/year considered for deriving basic earnings per share and the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares after considering Bonus shares which has been issued subsequent to March 31, 2023

(iii) ROE is calculated as a percentage of PAT divided by average total equity at beginning and end of the year as per the Restated Consolidated Financial Information.

(iv) EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information;

(v) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations as per the Restated Consolidated Financial Information;

(vi) ROCE is calculated as a percentage of Earnings before interest and Taxes / Total Equity plus Total Borrowings plus Deferred Tax Liabilities minus Deferred tax assets as per the Restated Consolidated Financial Information.

Other financial information

In accordance with SEBI ICDR Regulations, the audited standalone financial statements of our Company and our Material Subsidiary identified in accordance with the SEBI ICDR Regulations for the financial years ended March 31, 2021, March 31, 2022, and March 31, 2023, together with all the annexures, schedules and notes thereto (collectively, the "**Standalone Financial Statements**") are available at https://www.domsindia.com/financial-statements/. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

The Standalone Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements and reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of our Company or any entity in which our Shareholders have significant influence or any of its advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents, or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Reconciliation of the Non-GAAP Measurements

Gross Product Sales

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Revenue from Sale of Products	4,003.59	6,804.20	12,076.60	7,603.09
Add: Discounts, incentives, rebates	126.86	126.75	240.74	165.30
Gross Product Sales	**4,130.45**	**6,930.95**	**12,317.34**	**7,768.39**

Notes: Gross Product Sales means revenue from sale of products as per the Restated Consolidated Financial Information gross of sales incentives, rebates, and discounts

Reconciliation of Gross Profit and Gross Margin %

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Revenue from Operations (A)	4,028.17	6,836.01	12,118.90	7,617.98
Less: Cost of Material Consumed (B)	2,321.45	4,251.36	7,427.37	4,338.28
Less: Purchase of Stock-in-Trade (C)	115.61	137.15	261.05	344.06
Less: Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (D)	16.39	(67.79)	(54.75)	(93.17)
Gross Profit (E = A - B - C - D)	**1,574.72**	**2,515.29**	**4,485.23**	**3,028.81**
Gross Margin % (F= E/A)	**39.09%**	**36.79%**	**37.01%**	**39.76%**

Notes: Gross profit is calculated as revenue from operations less cost of material consumed, purchase of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress as per the Restated Consolidated Financial Information.

Reconciliation of Profit / (loss) for the year to EBITDA and EBITDA Margin %

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Restated profit/ (loss) for the year (A)	(60.26)	171.40	1,028.71	739.06
Add: Finance costs (B)	88.05	103.00	118.80	78.45
Add: Tax expenses (C)	(15.52)	68.84	358.92	252.37
Add: Depreciation and amortisation expense (D)	347.69	380.13	406.50	227.86
Less: Share of Profit equity accounted investees (E)	-	-	0.01	(0.88)
Less: Other Income (F)	59.71	26.24	46.33	24.17
Earnings before interest, tax, depreciation and amortisation (EBITDA) (G = A + B + C + D – E - F)	**300.25**	**697.13**	**1,866.60**	**1,274.45**
Revenue from operations (H)	4,028.17	6,836.01	12,118.90	7,617.98
EBITDA Margin % (I = G/H)	**7.45%**	**10.20%**	**15.40%**	**16.73%**

Notes: EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information.

Profit / (Loss) after Tax Margin %

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Restated profit/ (loss) for the year (A)	(60.26)	171.40	1,028.71	739.06
Revenue from Operations (B)	4,028.17	6,836.01	12,118.90	7,617.98

Profit / (Loss) after Tax Margin % (C = A/B)	**(1.50)%**	**2.51%**	**8.49%**	**9.70%**

Return on Equity %

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Restated profit/ (loss) for the year (A)	(60.26)	171.40	1,028.71	739.06
Average Total Equity (B)	N.A	2,498.86	3,067.20	3,887.67
Return on Equity % (A/B)	**N.A.**	**6.86%**	**33.54%**	**19.01%**^

^ *Not annualised.*

Notes: Average total equity is calculated as average of total equity at beginning and end of the year as per the Restated Consolidated Financial Information
N.A for the Company refers to Not Available, as the restated consolidated financial information for Fiscal 2020 is not available.

Return on Capital Employed %

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Restated profit/ (loss) for the period/ year (A)	(60.26)	171.40	1,028.71	739.06
Add: Tax expenses (B)	(15.52)	68.84	358.92	252.37
Add: Finance costs (C)	88.05	103.00	118.80	78.45
Earnings before interest and tax (EBIT) (D= A+B+C)	12.29	343.24	1,506.43	1,070.76
Total equity (E)	2,416.79	2,580.94	3,553.45	4,221.89
Total borrowings (F)	972.74	849.04	1,000.65	1,763.79
Add: Deferred Tax Liabilities (G)	-	-	-	-
Less: Deferred Tax Assets (H)	3.00	11.98	31.69	51.20
Capital Employed (I= E+F+G-H)	3,386.53	3,418.00	4,522.40	5,934.48
Return on Capital Employed % (D/I)	**0.36%**	**10.04%**	**33.31%**	**18.04%**^

^ *Not annualised.*

Notes: Return on Capital Employed is calculated as a percentage of Earnings before interest and Taxes / Total equity plus Total Borrowings plus Deferred Tax Liabilities minus Deferred tax assets as per the Restated Consolidated Financial Information

Gross fixed assets turnover times

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Revenue from Operations (A)	4,028.17	6,836.01	12,118.90	7,617.98
Gross carrying amount of property, plant and equipment (B)	2,143.35	2,423.57	3,668.26	4,553.80
Gross fixed assets turnover times (C = A/B)	**1.88**	**2.82**	**3.30**	**1.67**^

^ *Not annualised.*

Reconciliation to Net Worth, Return on Net Worth and Net Asset Value per Equity Share

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Equity Share capital (A)	3.73	3.73	3.73	562.50
Other Equity (B)	2,332.38	2,468.74	3,370.59	3,413.63
Net Worth (C = A+ B)	**2,336.11**	**2,472.47**	**3,374.32**	**3,976.13**

Return on Net Worth

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Restated profit/ (loss) for the period/ year (A)	(60.26)	171.40	1,028.71	739.06
Net Worth (B)	2,336.11	2,472.47	3,374.32	3,976.13
Return on Net Worth (F = A/B)	**(2.58)%**	**6.93%**	**30.49%**	**18.59%^**

^*Not annualised.*

Net Asset Value per Equity Share

(in ₹ million)

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months period ended September 30, 2023
Net Worth (A)	2,336.11	2,472.47	3,374.32	3,976.13
Weighted average number of equity shares used in calculating basic earnings per share (B)	56,250,218	56,250,218	56,250,218	56,250,218
Net Asset Value per Equity Share (C= A/ B)	**41.53**	**43.95**	**59.99**	**70.69**

RELATED PARTY TRANSACTIONS

For details of related party transactions as per the requirements under applicable accounting standards, i.e., *Ind AS 24 – Related Party Disclosures*, read with the SEBI ICDR Regulations, of our Company for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023 and the six months period ended September 30, 2023 and as reported in Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information – Note 44- Related parties*" on page 336.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2023, on the basis of the Restated Consolidated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Risk Factors*", "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 32, 283 and 356, respectively.

(in ₹ million, except ratios)

Particulars	Pre-Offer as at September 30, 2023	As adjusted for the proposed Offer#
Borrowings		
Current borrowings*	908.12	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings)*	855.67	[●]
Total borrowings	1,763.79	[●]
Equity		
Equity share capital*	562.50	[●]
Other equity*	3,413.63	[●]
Equity attributable to owners of our Company	3,976.13	[●]
Non-current borrowings / equity attributable to owners of our Company	0.22	[●]
Total borrowings / equity attributable to owners of our Company	0.44	[●]

* *These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).*

 # The corresponding post-Offer capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations is intended to convey management's perspective on our financial condition and results of operations for the Fiscals 2021, 2022 and 2023 and as of and for the six months period ended September 30, 2023. This discussion and analysis is based on, and should be read in conjunction with, our Restated Consolidated Financial Information (including the schedules, notes and significant accounting policies thereto) included in the section titled "Restated Consolidated Financial Information" on page 283. The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Information on page 283.

This Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Red Herring Prospectus. For further information, see section titled "Forward-Looking Statements" on page 20. Also read "Risk Factors" and "- Significant Factors Affecting our Results of Operations" on pages 32 and 360, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Unless the context requires otherwise, the following discussion and analysis of our financial condition and results of operations as of and for Fiscals 2021, 2022 and 2023 and as of and for the six months period ended September 30, 2023 is derived from our Restated Consolidated Financial Information, including the related notes, which have been derived from our audited consolidated financial statements, prepared under Ind-AS, for the years ended 2021, 2022 and 2023 and the six months period ended September 30, 2023, which are restated in accordance with the SEBI ICDR Regulations and ICAI Guidance Note. For further information, see "Restated Consolidated Financial Information" on page 283. Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. We have not attempted to quantify the impact of the IFRS or U.S. GAAP on the financial information included in this Red Herring Prospectus, nor do we provide a reconciliation of our finance.al information to IFRS or U.S. GAAP.

We have also included various financial and operational performance indicators in this section, some of which have not been derived from the Restated Consolidated Financial Information. The manner of calculation and presentation of some of the financial and operational performance indicators, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. See "Risk Factors – Internal Risk Factors – Other risks – 48. Non-GAAP measures - Certain non-GAAP financial measures and performance indicators used in this Red Herring Prospectus to review and analyse our financial and operating performance may have limitations as analytical tools, may vary from any standard methodology applicable across the manufacturing industry in which we operate, and may not be comparable with financial or statistical information of similar nomenclature computed and presented by other companies" on page 60

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Stationery Products" dated November 23, 2023, prepared and released by Technopak, which has been commissioned and paid for by our Company (the "**Technopak Report**"). The data included herein includes excerpts from the Technopak Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year, refers to such information for the relevant year. For more information, see the sections titled "Industry Overview" on page 133 and "Risk Factors – Internal Risk Factors – Other risks – 45. Industry information included in this Red Herring Prospectus has been derived from a third-party report, exclusively commissioned and paid for by us." on page 59.*

Our Fiscal Year ends on March 31 of each year, and references to a particular fiscal year are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted.

Overview

We design, develop, manufacture, and sell a wide range of stationery and art products, primarily under our flagship brand 'DOMS', in the domestic market as well as in over 45 countries internationally, as of September 30, 2023. We are the second largest player in India's branded 'stationery and art' products market, with a market share of ~12% by value, as of Fiscal 2023 *(Source: Technopak Report)*. Our keen focus on research and development (R&D), product engineering, and backward integrated manufacturing, operations, combined with our multi-channel pan-India distribution network has enabled us to achieve a strong brand recall amongst consumers. For details in relation to our endeavours towards R&D, product engineering and backward integration, please see "*Our Business – Strong brand recall driven by high quality, innovative and differentiated products*", "*Our Business – Robust manufacturing, with a focus on backward integration to drive efficiencies*" and "*Our Business - Research and Development and Design*" on page 206, 207 and 224, respectively. Our core products such as 'pencils' and 'mathematical instrument boxes' enjoy high market shares; 29% and 30% market share by value in Fiscal 2023 respectively *(Source: Technopak Report).*

We offer well-designed and quality 'stationery and art material' products to consumers, which we classify across seven categories: (i) scholastic stationery; (ii) scholastic art material; (iii) paper stationery; (iv) kits and combos; (v) office supplies; (vi) hobby and craft; and (vii) fine art products.

Scholastic Stationery	Scholastic Art Material	Hobby & Craft	Office Supplies	Paper Stationery	Fine Art Products	Kits & Combos
• Black Lead Pencils • Mechanical Pencils • Erasers • Sharpeners • Mathematical Instruments • Chalk & Chalk Holders	• Wax Crayons • Oil Pastels • Colour Pencils • Plastic Crayons • Poster Colours • Water Colours • Sketch Markers • Brush Pens • Tempera Colours • Brushes	• Modelling Clay • Playing Dough • Glitter Glue • Liquid Glue	• Pens • Board Markers • Permanent Markers • Correction Pens • Glue Sticks	• Notebooks • Exercise Book • Drawing Book • Sketch Pads • Executive Diaries • Conference Pads	• Artists Pencils • Kneadable Erasers • Water Colours for Artist • Gouache Colours • Varnishes & Mediums • Inks • Canvases • Artist Papers • Brushes for Artists • A wide range of Artist Essentials	• Stationery Kits • Art Material Kits • Painting Kits • Combo Packs
SKU Count : 392	SKU Count : 283	SKU Count : 45	SKU Count : 146	SKU Count : 418	SKU Count : 2531	SKU Count : 63

As per the Technopak Report, we have the widest breadth of product categories amongst our peers in India and are amongst the few 'stationery and art material' products manufacturing and marketing companies globally with such a wide product breadth. Among other factors, our presence across multiple such categories and price points has enabled us to be the fastest growing 'stationery and art material' products company in India in terms of revenue over the period from Fiscal 2020 to Fiscal 2023 *(Source: Technopak Report).*

The table below sets forth a break-up of our Gross Product Sales across our product categories for Fiscals 2021, 2022 and 2023 and the six months period ended September 30, 2023:

Product Category	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales	Amount (₹ million)	% of Gross Product Sales
Scholastic stationery	1,910.03	46.24	3,269.83	47.18	5,688.06	46.18	3,543.59	45.62
Scholastic art material	975.20	23.61	1,663.70	24.00	2,927.97	23.77	2,029.86	26.13
Paper stationery	402.54	9.75	640.78	9.25	1,273.52	10.34	773.15	9.95
Kits and combos	464.95	11.26	796.86	11.50	1,263.83	10.26	672.58	8.66
Office supplies	245.60	5.95	403.06	5.82	752.45	6.11	488.05	6.28
Hobby and craft	3.72	0.09	6.46	0.09	157.26	1.28	112.64	1.45
Fine art products	58.13	1.41	96.20	1.39	141.69	1.15	83.18	1.07
Others	70.28	1.70	54.06	0.78	112.56	0.91	65.34	0.84
Grand Total	**4,130.45**	**100.00**	**6,930.95**	**100.00**	**12,317.34**	**100.00**	**7,768.39**	**100.00**

Note:
1. *Gross Product Sales means revenue from sale of products as per the Restated Consolidated Financial Information gross of sales incentives, rebates, and discounts.*
2. *For further details of the products under each product category, please refer to the table above.*
3. *'Others' category would include sale of by-products and other materials.*

We trace our lineage back to 1973, with the formation of a partnership firm, 'R.R. Industries' by our founders, late Rasiklal Amritlal Raveshia and late Mansukhlal Jamnadas Rajani, which over the years undertook the business of manufacturing and sale of pencils and crayons. Subsequently, in 2005, another partnership firm 'S. Tech Industries' was founded by certain members of our Promoter Group, to primarily undertake the business of manufacturing and sale of polymer based 'scholastic stationery'. In order to streamline our operations and achieve integration of businesses, our Company (then known as '*Writefine Products Private Limited*') acquired the business of these partnership firms.

Further, in 2012, our Company entered into a strategic partnership with FILA, a listed Italian multinational company, engaged in the supply of various 'art materials' and 'stationery products', with a global presence. As of December 31, 2022, FILA had a consolidated total revenue of USD ~ 0.84 billion (*Source: Technopak Report)*. Our partnership with FILA has enabled us to gain access to international markets for distribution of our products, augmentation of our R&D and technological capabilities. We believe our symbiotic association with FILA, based on mutual synergies, has resulted in expansion of our international footprint in key American and European markets and has helped in the global distribution of 'DOMS' brand. Further, we have an exclusive tie-up with FILA and certain entities of the FILA Group through the Brand Authorisation Letters, for distribution and marketing for all categories of their respective products, under their name and trademark, in India, Nepal, Bhutan, Sri Lanka, Bangladesh, Myanmar, and Maldives. Please see, "*History and Certain Corporate Matters – Key terms of other subsisting material agreements other than in the ordinary course of business – Brand Authorisation Letters*" on page 242. In the Fiscals 2021, 2022 and 2023 and the six months period ended September 30, 2023, the total sales of FILA branded products by our Company aggregated to, ₹38.46 million, ₹60.92 million, ₹49.42 million, and ₹23.92 million respectively, which represented 0.95%, 0.89%, 0.41%, and 0.31% of our Company's total revenue from operations for the respective period and Fiscals.

Our products are marketed under our flagship brand 'DOMS' along with other brand/sub-brands including 'C3', 'Amariz', and 'Fixyfix'. While 'wooden pencils' is our largest product in terms of revenue, contributing 31.66% and 32.49% to our Gross Product Sales amounting to ₹3,899.88 million for Fiscal 2023 and ₹2,524.07 million for the six months period ended September 30, 2023 respectively, our product offerings have evolved significantly over the past several years. This has also allowed us to achieve the least concentration to overall revenue from the largest product segment among peers as of Fiscal 2023 (Source: Technopak Report). Our in-house product design team focusses on developing products, keeping in mind latest trends, customer lifestyles, aspirations, and preferences, who along with our dedicated R&D team develop, test, and evaluate products prior to launch. We continue to expand our product range to keep pace with the ever-evolving customer requirements and preferences and have recently launched our writing instruments under 'DOMS' brand in 2023, fine-art products under 'Amariz' and adhesive products under 'Fixy Fix'.

We undertake our manufacturing operations from facilities located in Umbergaon, Gujarat and Bari Brahma, in Jammu and Kashmir. Our Umbergaon Manufacturing Facilities are spread over approximately 34 acres of land covering approximately 1.18 million square feet, which are equipped with modern and automated production processes. Further, our Jammu Manufacturing Facility is spread across approximately 2 acres of land covering approximately 0.07 million square feet, focussed on producing wooden slats from locally sourced wood. We are vertically integrated with operations such as procurement of raw materials, moulding, assembling, integration of sub-assemblies into finished products being done at our manufacturing facilities in Umbergaon, Gujarat, which has enabled us to gain a competitive advantage by improving productivity and reducing costs. For further details in relation to our Manufacturing Facilities, see *"- Description of our Business and Operations – Manufacturing Facilities"* on page 201. In order to support our growth strategy to expand our manufacturing capabilities, recently we have also acquired 44 acres of land which is adjacent to our existing Umbergaon Manufacturing Facilities.

As of September 30, 2023, we have a widespread multi-channel distribution network with a strong pan-India presence and a global footprint catering to over 45 countries, covering the Americas, Africa, Asia Pacific, Europe, and Middle East. In the domestic market, we sell our products through (i) general trade; (ii) modern trade and e-commerce; and (iii) original equipment manufacturer (OEM) & institutions. Our domestic distribution network for general trade comprises of over 120 super-stockists, and over 4,000 distributors along with a dedicated sales team of over 500 personnel covering more than 120,000 retail touch points over 3,500 cities and towns. We also cater to our consumers through modern trade and e-commerce. Our products are sold through a variety of modern trade platforms such as supermarkets, hypermarkets, minimarkets, cash and carry stores. Further, our products are also available on multiple e-commerce platforms.

Non-GAAP Measures

We use certain supplemental non-GAAP measures to review and analyse our financial and operating performance from period to period, and to evaluate our business, which have been included in this Red Herring Prospectus. Although these non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating and financial performance.

These non-GAAP financial measures and performance indicators are not defined under Ind AS, are not presented in accordance with Ind AS and have limitations as analytical tools which indicate, among other things, that they do not reflect our cash expenditures or future requirements for capital expenditure or contractual commitments or the changes in, or cash requirements for, our working capital needs; or the finance cost, or the cash requirements necessary to service our debt. These non-GAAP financial measures may differ from similar titled information used by other companies, including peer companies, who may calculate such information differently and hence their comparability with those used by us may be limited.

Also see "*Risk Factors – 48. Non-GAAP measures - Certain non-GAAP financial measures and performance indicators used in this Red Herring Prospectus to review and analyse our financial and operating performance may have limitations as analytical tools, may vary from any standard methodology applicable across the manufacturing industry in which we operate, and may not be comparable with financial or statistical information of similar nomenclature computed and presented by other companies*" on page 60.

The table below sets forth certain Non-GAAP Measures as of and for the periods indicated:

(in ₹ million, unless otherwise specified)

Metric	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Six months period ended September 30, 2023**
Gross Product Sales(1)	4,130.45	6,930.95	12,317.34	7,768.39
Growth in revenue from operations (%)(2)	NA	69.71%	77.28%	NA
Gross margin (%)(3)	39.09%	36.79%	37.01%	39.76%
EBITDA(4)	300.25	697.13	1,866.60	1,274.45
EBITDA margin (%)(5)	7.45%	10.20%	15.40%	16.73%
PAT margin (%)(6)	(1.50%)	2.51%	8.49%	9.70%
ROE (%)(7)	NA	6.86%	33.54%	19.01%^
ROCE (%)(8)	0.36%	10.04%	33.31%	18.04%^
Gross fixed assets turnover (x)(9) times	1.88	2.82	3.30	1.67^

NA for the Company refers to Not Available, as the restated consolidated financial information for Fiscal 2020 is not available.
^Not annualised.

Note:

(1) Gross Product Sales means revenue from sale of products as per the Restated Consolidated Financial Information gross of sales incentives, rebates, and discounts;

(2) Growth in revenue from operations is calculated as a percentage increase/(decrease) in revenue from operations of current Fiscal year compared to previous Fiscal year;

(3) Gross margin is calculated as a percentage of gross profit divided by revenue from operations;

(4) EBITDA is calculated as profit before tax, depreciation and amortisation expense and finance costs less share of profit equity accounted investees and other income as per the Restated Consolidated Financial Information;

(5) EBITDA margin is calculated as a percentage of EBITDA divided by revenue from operations as per the Restated Consolidated Financial Information;

(6) PAT margin is calculated as a percentage of PAT divided by revenue from operations as per the Restated Consolidated Financial Information;

(7) ROE is calculated as a percentage of PAT divided by average total equity at beginning and end of the year as per the Restated Consolidated Financial Information;

(8) ROCE is calculated as a percentage of Earnings before interest and Taxes / Total Equity plus Total Borrowings plus Deferred Tax Liabilities minus Deferred tax assets as per the Restated Consolidated Financial Information; and

(9) Gross fixed assets turnover is calculated as revenue from operations divided by gross property, plant and equipment as per the Restated Consolidated Financial Information.

For details of reconciliation of such Non-GAAP Measures, please see section titled "*Other Financial Information*" on page 350.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, prospects, results of operations, cash flow and financial condition are affected by a number of factors, including key factors:

Our ability to assess customer preferences and demand and offer products at competitive prices

We believe that the success of products in this industry is dependent on the (a) attractiveness of their design (since a majority of the products are purchased on their 'look and feel'); (b) quality of the finished product; and (c) price at which the products are sold. We attribute a considerable component of our growth to our ability to offer well designed and high-quality stationery and art materials, in line with customer preferences and demand, at competitive prices.

In order to ensure product attractiveness, we pay particular emphasis on product design, through our in-house product designing team, which focusses on product development, keeping in mind latest trends, consumer lifestyle, aspirations and preferences. We also leverage our relationship with the FILA Group, allowing us insight into global trends and ever evolving consumer expectations. Product quality is ensured through (a) backward integration; and (b) a dedicated in-house product designing and R&D team to develop, test and evaluate products prior to launch. As of September 30, 2023, we employed 50 personnel as part of the product designing and R&D team. Further, apart from product development and testing, our product designing and R&D team is focussed on cost reduction by improving operational efficiencies. Further, in order to ensure quality, we have a dedicated quality assurance and quality check team, which focusses on compliance with our quality management systems. For further details, see "*Our Business – Research and Development and Design*" on page 224.

Over the years, we have introduced several innovative and utility focussed products, such as a '*Erasner'*, which enables consumers to have a single product for erasing as well as for sharpening. We also strive to innovate ancillary facets to our products, while ensuring that the price is not increased. For instance, our innovative plastic case packaging of our hexagon shaped neon eraser which made our end product more appealing without making any pricing change.

Our products are competitively priced due to our ability to fully backward integrating our operations, which comprise of product design, procurement of raw materials, manufacturing and moulding, assembling, integration of sub-assemblies into finished products, quality control and testing. Moreover, our vertically integrated manufacturing operations has enabled us to gain a significant competitive advantage by improving productivity and reducing costs. For further details, see "*Our Business – Our Strengths – Robust manufacturing infrastructure, with a focus on backward integration to drive efficiencies*" on page 207. Our relationship with the FILA Group has augmented our R&D capabilities which has helped to supress our operating costs, thus resulting in higher operating margins. For further details, see "*– Significant factors affecting our results of operations – Our relationship with the FILA Group*" on page 363.

Therefore, we believe that our ability to continue to offer well designed and quality stationery and art materials at competitive prices is and will continue to be a significant factor that affects our growth and results of operation.

Strength and scale of our distribution network

Our ability to sell our products and consequent scaling of our customer base is significantly dependent on third party distribution network. Our multi-channel distribution network includes sale to (i) super-stockists, who onward sell the products to distributors or direct dealers who in turn sell the products to wholesalers or retailers; (ii) modern trade and e-commerce platforms; and (iii) large corporates, institutions and other companies. We have spent significant time, resources, and effort in building such distribution network in India, which acts as significant entry barrier for competition.

The details of our revenue through our distribution channels across the three Fiscals and the six months period ended September 30, 2023 is mentioned herein below:

Distribution network	Fiscal 2021		Fiscal 2022		Fiscal 2023		Six months period ended September 30, 2023	
	Amount (in ₹ million)	**% of Gross Product Sales**	**Amount (in ₹ million)**	**% of Gross Product Sales**	**Amount (in ₹ million)**	**% of Gross Product Sales**	**Amount (in ₹ million)**	**% of Gross Product Sales**
Domestic								
General trade	2,906.85	70.38	4,921.82	71.01	9,156.91	74.34	5,871.74	75.58
Modern trade and e-commerce platform	120.15	2.91	214.84	3.10	262.87	2.13	223.07	2.87
Others*	101.76	2.46	146.98	2.12	321.82	2.61	231.68	2.98
Total (A)	3,128.76	75.75	5,283.64	76.23	9,741.60	79.09	6,326.49	81.44
Exports								
Export to the FILA Group	693.13	16.78	1,065.31	15.37	1,586.07	12.88	854.82	11.00
Third party exports	308.57	7.47	582.00	8.40	989.67	8.03	587.08	7.56
Total (B)	1,001.70	24.25	1,647.31	23.77	2,575.74	20.91	1,441.90	18.56
Total (C = A+B)	**4,130.45**	**100.00**	**6,930.95**	**100.00**	**12,317.34**	**100.00**	**7,768.39**	**100.00**

**Others includes OEMs, institutional sales, merchant exports and other ancillary sales.*

We have developed long-standing relationships with our super-stockists and distributors, who are critical in insuring that our products reach the end retailer and eventually the consumers. Our key distribution network in India is through super-stockists and distributors and as of September 30, 2023, we had over 120 super-stockists and over 4,000 distributors, located across 28 states and eight union territories, covering more than 120,000 retail touch points in over 3,500 cities and towns. During Fiscals 2021, 2022 and 2023, and the six months period ended September 30, 2023, our revenue from export sales aggregated to ₹1,001.70 million, ₹1,647.31 million, ₹2,575.74 million, and ₹1,441.90 million which comprised of 24.25%, 23.77%, 20.91%, and 18.56% of our Gross Product Sales.

For our export sales, we export products either to the FILA Group or directly to our international customers. We leverage our relationship with the FILA Group and benefit from their global presence, which allows us to sell our products across multiple jurisdictions. We also have a dedicated export sales team, who identify, develop and coordinate with our international customers in markets, such as Asia Pacific, Africa, Europe and the Middle East, allowing us to reach out to a diverse group of customers globally. As on September 30, 2023, the Company had 45 direct international customers and made sales to 12 FILA Group companies. During Fiscals 2021, 2022 and 2023, and the six months period ended September 30, 2023, our revenue from export sales aggregated to ₹1,001.70 million, ₹1,647.31 million, ₹2,575.74 million, and ₹1,441.90 million, which comprised of 24.25%, 23.77%, 20.91%, and 18.56% of our Gross Product Sales.

Therefore, our ability to consolidate, maintain and scale our distribution channels, both in India as well as overseas is critical to our business, future prospects, and is a significant factor that affects our results of operations.

Manufacturing process and efficiency

A significant factor that affects and will continue to affect our revenues and results from operations is the capacity and utilisation of our manufacturing facilities. We currently manufacture our products from our plants across Umbergaon, Gujarat, with an annual installed capacity of 4,734.93 million units as on March 31, 2023, for our key products, with an efficiency of 4,223.98 million units during such period. It is spread over approximately 34 acres of land covering approximately 1.18 million square feet and is one of the largest, single location stationery manufacturing facility in India (*Source: Technopak Report*).

The following tables set forth the annual installed capacity of our key products in the respective periods mentioned below:

Product Segment	UOM	Fiscal 2021			Fiscal 2022			Fiscal 2023		
(Capacity and Production Details in Millions)		**Installed capacity**	**Actual Production**	**Utilization**	**Installed capacity**	**Actual Production**	**Utilization**	**Installed capacity**	**Actual Production**	**Utilization**
Wooden Pencils	Nos	864.00	687.43	79.56%	1,080.00	1,045.26	96.78%	1,512.00	1,413.59	93.49%
Crayons	Nos	810.00	329.01	40.62%	810.00	525.33	64.86%	1,058.00	936.58	88.52%
Mathematical Instrument Box	Nos	9.00	3.00	33.36%	13.50	7.60	56.26%	15.00	14.59	97.23%
Water Colour Pens (Sketch Markers)	Packs	37.50	31.20	83.19%	43.50	41.02	94.30%	70.00	65.68	93.83%
Erasers	Nos	440.00	267.45	60.78%	750.00	495.81	66.11%	650.00	571.17	87.87%
Exercise books	Nos	15.00	10.60	70.63%	24.30	15.19	62.50%	36.72	27.04	73.64%
Polymer Pencils	Nos	300.00	138.23	46.08%	360.00	287.79	79.94%	396.00	326.98	82.57%
Sharpeners	Nos	180.00	112.67	62.59%	270.00	221.72	82.12%	420.00	357.27	85.06%
Ball Point Pens	Nos	125.00	69.48	55.58%	210.00	127.39	60.66%	250.00	232.58	93.03%
Drawing & Sketch Book	Nos	5.06	3.21	63.44%	6.56	5.60	85.42%	7.56	5.34	70.64%
All Types of Markers	Nos	21.00	17.05	81.19%	27.00	25.32	93.78%	43.50	38.86	89.33%
Water Colour Cakes	Nos	100.00	65.14	65.14%	100.80	97.87	97.10%	122.40	96.67	78.98%
Tempera Colour	Packs	10.05	5.99	59.56%	15.00	10.28	68.52%	18.75	18.39	98.07%
Scales	Nos	83.95	29.57	35.22%	100.00	58.22	58.22%	135.00	119.24	88.32%

* *Annualized*

Our fully integrated operations comprise procurement of raw materials, moulding, assembling, integration of sub-assemblies into finished products, quality control and testing of finished products. Our Umbergaon Manufacturing Facilities are built for large scale operations and our facilities and storage depots are also strategically located to achieve shorter time to market, greater cost competitiveness (through close proximity to raw material suppliers) and responsiveness of our inventory positions to changes in portfolio market as a result of proximity, thereby allowing us to cater to domestic and international markets more effectively. Further, to enhance our manufacturing operations in order to meet the current and anticipated demand of our products, we have acquired a parcel of land measuring approximately 44 acres located adjacent to Umbergaon Manufacturing Facilities. We intend to use a portion of the Net Proceeds amounting to ₹256.00 million, ₹2,061.79 million, ₹1,482.210 million, in Fiscals 2024, 2025 and 2026, respectively, for the construction of the manufacturing facilities on this land. For further details, see section titled "*Objects of the Offer*" on page 101.

We have also focussed on backward integration of our manufacturing processes, which has enabled us to improve our efficiency, improve quality control, reduce third party dependencies (thereby hedging our sourcing and pricing risk) and consequently, enhanced profitability. Further, we are also backward integrated by producing several key raw materials such as wooden slats, black and colour leads, lacquers, and other raw materials. Such backward integration of our manufacturing processes has provided us with a significant competitive advantages and cost efficiencies.

Therefore, we believe that the quality of our manufacturing facilities and processes, which have helped us in improving our production volumes and managing our operating costs, is a key driver of our revenue from operations.

Our relationship with the FILA Group

FILA is our Corporate Promoter, which whom we have entered into a strategic partnership. The FILA Group is a leading Italian origin multinational conglomerate, engaged in the supply of various art materials and stationery products. As of December 31, 2022, FILA had a consolidated total revenue of USD ~ 0.84 billion (*Source: Technopak Report)* and sells their products in over 150 countries. Our collaboration with FILA has allowed us to expand our sales and distribution within the Americas, Asia Pacific regions, Europe, and the Middle Eastern markets. The strategic partnership also has given us exclusive rights for the marketing, sales, and distribution of the FILA Group products in India and several other countries in Asia. Further, we also manufacture certain products for the FILA Group, which allows us to de-risk our operations. Our exports to the FILA Group aggregated to ₹693.13 million, ₹1,065.31 million, ₹1,586.07 million, and ₹854.82 million constituting 16.78%, 15.37%, 12.88%, and 11.00% of gross product sales respectively, during Fiscals 2021, 2022, 2023 and the six months period ended September 30, 2023, respectively.

This strategic partnership has also allowed us to benefit from the FILA Group's global knowledge and experience and augment our R&D capabilities. Such technology sharing has allowed us leverage R&D undertaken by FILA and capitalising on its experience in manufacturing and selling art material products. Additionally, it is also facilitating the sales of DOMS branded products in global markets in which the FILA Group has an existing presence. Therefore, this relationship with the FILA Group have significantly allowed us to expand our business, in terms of revenue, scale as well as geographic presence and is one of the critical factors to our continued growth.

Competition

The industry in which we operate is highly competitive, with a large number of players operating in the segments and geographies in which we also operate. We compete on factors such as quality of the products, price, product range, product mix, advertising and marketing efforts and efficiencies, design, look and feel of products and market penetration. Our ability to compete effectively depends on factors such as identifying and responding to change in customer preferences, reduce cost of production, consolidate our position in existing market and penetrate into new markets and expand our distribution network. In order to compete effectively, we have also focussed enhancing our manufacturing capabilities as well as on our R&D and design initiatives. For further details in relation to our manufacturing capabilities, R&D and design initiatives, please see "*- Our Business – Our Strengths – Robust manufacturing infrastructure, with a focus on backward integration to drive efficiencies"* on page 207.

Further, in the segment in which we operate the cost per unit is low and therefore companies find it difficult to increase the cost per product. Therefore, the growth in revenue is dependent on expansion across product segments, increase in customers and geographical penetration. Profit is dependent on our ability to reduce costs, which include cost spent on competing effectively, such as schemes and incentives to our channel partners as well as our consumers, amounts spend towards R&D initiative and marketing expenditures. Some of our competitors may have substantially greater financial resources and their brand may have deeper customer recall. Our competitors include Hindustan Pencils, Camlin, Flair, Luxor, Link, BIC Cello, Navneet and Rorito Garner. We are the second largest player in India's branded 'stationery and art' products market, with a market share of ~12% by value, as of Fiscal 2023 *(Source: Technopak Report)*. Therefore, competition in this industry will continue to have a significant impact on our results of operations.

Factors affecting the 'stationery and art materials' industry

Our business is dependent on several factors and trends affecting the stationery and art materials industry. Such factors and trends include (a) an increased shift towards innovate and creative products across price segments, which are aesthetically designed with good functionalities; (b) China plus one strategy, which has led to several international companies diversifying their supply chain and has presented great opportunities for India; and (c) rising penetration of e-commerce allowing consumers to purchase products straight from their homes. Growth factors of the industry in India also include: (a) higher share of young population, which signifies a huge potential for educational institutes, which in-turn is expected to drive the demand for stationery products; (b) an increase in ownership of stationery products per person-consumers are now purchasing multiple stationery products at a time, leading to an increase in the market by volume and value; (c) a rise in literacy rate in India; (d) increase in the number of schools and educational institutions, with an improvement in gross enrolment ratio (gross enrolment ratio is the total enrolment in the school education regardless of age, expressed as a percentage of the population of the official age group); (e) increase in emphasis of arts and crafts in school curriculum; and (f) increase in gifting trends and impulse purchases. Due to such factors, the Indian domestic writing instrument market is expected to grow at a CAGR of ~16% till Fiscal 2028, to reach a market value of ₹27,750 crore (*Source: Technopak Report)*. For further details, see section titled "*Industry Overview"* on page 133. However, there are several limiting factors on the growth of this industry such as raw material price volatility, environmental concerns which has led towards a shift towards eco-friendly products, and increased digitisation leading to paperless practices (*Source: Technopak Report)*. Therefore, our growth is dependent on our ability to keep our products in sync with such changing demands and trends and also on the industry's ability to meet the projected expectations.

SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

(i) Statement of compliance

The Restated Consolidated Financial Information of the Group and its associate comprise the Restated Consolidated Balance Sheet as at September 30, 2023, March 31, 2023, March 31, 2022, March 31, 2021; the related Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, and the Restated Consolidated Statement of Cash Flows for the six months period ended September 30, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021 and the Significant accounting policies and Restated Consolidated Other Financial Information (together referred to as 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

The Restated Consolidated financial information complies in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in Red Herring Prospectus and Prospectus in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- 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").
- E-mail dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India, instructing lead managers to ensure 'that companies

provide financial statements prepared in accordance with Indian Accounting Standards (Ind AS) for all the three years and stub period (hereinafter referred to as the "the SEBI e-mail").

The Restated Consolidated Financial Information has been compiled by the Group from:

Audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for six months period ended September 30, 2023 prepared in accordance with presentation and disclosure principles under Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 24, 2023.

Audited consolidated financial statements of the Group as at and for the years ended March 31, 2023 and March 31, 2022 prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 10 July 2023 and 28 September 2022 respectively. Audited Special Purpose Consolidated financial statements for the year ended March 31, 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 17 August 2023.

- Further, there were no changes in accounting policies during the period/year of these Financial Statements (Refer Annexure VI - "Statement of adjustments to restated consolidated financial information");

- there were no material amounts which have been adjusted for, in arriving at profit / loss of the respective periods; and

- there were no material adjustments for reclassifications of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with groupings as per the special purpose consolidated interim financial statements of the Group and its associate as at and for the six months period ended September 30, 2023 and the requirements of SEBI regulations.

The Restated Consolidated Financial Information for the for the six months period ended September 30, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on November 24, 2023.

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded- off to the nearest million, unless otherwise indicated.

(ii) Basis of Measurement

The Restated Consolidated Financial Information of the Group and its associate have been prepared in compliance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

The Restated Consolidated Financial Information have been prepared on an accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard where a change in accounting policy hitherto in use.

The Restated Consolidated Financial Information have been prepared under the historical cost convention except for certain financial instruments measured at fair value as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition.

(a) Current vs non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(b) Basis of Consolidation

(i) Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these Restated Consolidated Financial Information from the date that control commences until the date that control ceases.

Restated Consolidated Financial Information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of the Restated Consolidated Financial Information are consistent with those of previous year. Restated Consolidated Financial Information of the Group have been combined on a line-by-line basis by adding together the values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses, unless cost/revenue cannot be recovered.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the Restated Consolidated Financial Information. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. Where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the Restated Consolidated Financial Information.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in subsidiaries is made; and

(b) The non-controlling interests share of movements in equity since the date parent subsidiaries relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Statement of Profit and Loss and Statement of Changes in Equity.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiaries, any non-controlling interests and the other components of equity related to the subsidiaries. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of Profit & Loss. If the Group retains any interest in the previous subsidiaries, then such interest is measured at fair value at the date that control is lost and the differential is recognised in Statement of Profit or Loss. Subsequently, it is accounted for as an equity-accounted investee depending on the level of influence retained.

(ii) Acquisition of non-controlling interests

Acquisition of some or all of the non-controlling interest ("NCI") is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to Statement of changes in equity that is attributable to the parent Group. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full while preparing these Restated Consolidated Financial Information. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

(iv) Equity - accounted investee (Associate)

The group's interest in equity in investees comprise interests in associates. An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the Restated Consolidated Financial Information include the groups share of profit or loss and OCI of equity accounted investee until the date on which significant influence ceases.

(c) Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, packing material are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, moving weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(d) Revenue recognition

(i) Revenue from sale of goods

Revenue represents amounts received and receivable from third parties and related parties for goods supplied to the customers. The Group recognizes revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, rebates, scheme allowances, incentives, and returns, if any. Revenue excludes taxes collected from customers on behalf of the Government. Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

A liability is recognised where payments are received from customers before transferring control of the goods being sold.

Contract assets

Contract assets are recognised for advance given towards supply of goods. On successful acceptance of goods and services, the amounts is recognised as contract assets.

Contract Liabilities

Contract liabilities include advances received towards supply of goods and services. The outstanding balances of these accounts are adjusted upon revenue recognition against the advance from customers received.

(ii) Rendering of services

Income from services are recognized as point in time.

(e) Interest income

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

(f) Property, plant and equipment

(i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable taxes (net of GST), after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) borrowing costs for long-term construction projects if the recognition criteria are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, if any, over their estimated useful lives using the straight line method in the manner and at the rates prescribed by Part 'C' of Schedule II of the Act, except as stated below. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on which asset is ready for use / disposed of.

The estimated useful lives of assets are as follows :

Asset category	Useful lives estimated by the management	Useful lives as per Schedule II of Companies Act, 2013
Buildings	25 years	30 years
Roads	10 years	10 years
Plant & Equipment	8.7 years	15 years
Electrical installation	2.5 years	10 years
Furniture & Fittings	5 years	10 years
Vehicles	4 years	8 years
Office equipments	8.3 years	5 years

Computers (including servers and accessories)	5 years	3-6 years

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Company uses its technical expertise along with historical and industry trends for arriving at the economic life of an asset.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

The cost and related accumulated depreciation are eliminated from the Restated Consolidated Financial Information upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the restated consolidated statement of profit and loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at April 1, 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment. The Holding Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2020 while preparing the Restated Consolidated Financial Information for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

Capital work in progress and Capital advances

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

(g) Intangible assets and amortisation

Intangible assets comprise application software purchased / developed and trademark. These are amortised using the straight line method over a period of the software license, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortization methods and useful lives are reviewed periodically including at each financial year end.

The useful lives of intangible assets are as mentioned below:

Asset category	Useful lives estimated by the Management
Trademark	10 years
Software	3 years

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the restated consolidated statement of profit and loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Holding Company has elected to continue with the carrying value of all the items of Intangible assets recognized as at April 1, 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets. The Holding Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2020 while preparing the Restated Consolidated Financial Information for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

(h) Business Combinations

The Company accounts for its business combinations under acquisition method of accounting under the provisions of IND AS 103, Business Combinations. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve. The interest of non-controlling shareholders (if any) is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries. Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

(i) Financial instruments

Financial instruments (assets and liabilities) are recognised when the Group becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification

The Group classifies financial assets as subsequently measured at amortized cost on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Debt instruments

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit and loss.

Equity Instruments measured at FVTOCI or FVTPL

All equity investments in scope of Ind-AS 109 are measured at Fair Value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss statement.

Equity instruments measured at Cost

Equity instruments / Investments in subsidiaries / Joint Ventures / Associates are accounted at cost in accordance with Ind AS 27 - Separate Financial Statements.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss ('ECL') model for recognition and measurement of impairment loss on the following financial assets and credit risk exposure:

(a) Trade receivables

(b) Financial assets that are debt instruments, and are measured at amortized cost e.g. deposits and bank balance

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Group assume the credit risk on financial assets increased significantly if it is more than 3 year past due.

Group considered a financial assets to be in default when:

the debtor is unlikely to pay its credit obligations to Group in full, without recourse by the Group to actions such as realising security (if any held) or -the financial assets is more than 3 year past due.

ECL allowance recognised (or reversed) during the period is recognised as income/ expense in the Consolidated Statement of Profit and Loss under the head 'Other expenses'.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings.

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost.

Subsequent measurement Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(j) Employee benefits

(i) Short-term employee benefits are expensed as the related service is provided. A liability is recognised on an undiscounted basis for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Compensated absences are recognised when the employees render service that increase their entitlement to future compensated absences. As per the policy of the Group, employees are entitled to encash leave subject to a maximum of 30 days. Compensated absences have been provided for based on outstanding leave balance and employee's basic pay. Compensated absences are payable wholly within twelve months of rendering the service and are classified as short-term employee benefits.

(iii) A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iv) Defined benefit plans - The Group's net obligation in respect of defined benefit plans is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to the retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Termination benefits: termination benefits are expensed at earlier of when the Group can no longer withdraw the offer of those benefits and when the group recognises costs of a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(k) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

(l) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(m) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(i) Commencement of capitalisation

Capitalisation of borrowing cost as part of the cost of a qualifying asset shall begin on the commencement date. The commencement date for capitalisation is the date when the entity first meets all of the following conditions:

(a) it incurs expenditures for the asset;

(b) it incurs borrowing costs; and

(c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

(ii) Cessation of capitalisation

Cessation of capitalisation shall happen when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

(n) Leases

Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense in the Statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the financial statement. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in

which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time. The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs, less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the ‘Property, Plant and Equipment’ policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right of- use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

As a practical expedient, Ind AS 116 permits a lessee not to separate lease and non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient and has recognised single ROU for entire lease and non-lease components.

(o) Cash and cash equivalents

Cash and cash equivalents includes cash-in-hand and demand deposit with banks with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(p) Provisions, contingent liabilities and contingent assets

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value, unless the time value of money is material.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent assets are not recognised in the financial assets. However, the same is considered when the realisation is certain and it is no longer considered contingent. The asset is recognised in the period in which the change from contingent asset to asset occurs.

(q) Functional and presentation currency

The Restated Consolidated Financial Information are presented in INR which is our Company’s functional currency. All amounts have been rounded-off to the nearest millions and decimals thereof, unless otherwise mentioned.

(r) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted as at the reporting date.

Current tax assets and liabilities are offset only if:

a) there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and

b) there is intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary difference or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only if the entity has a legal enforceable right to set off current tax assets / liabilities and they relate to income taxes levied by the same taxation authority on the same taxable entity.

(s) Earnings per share (EPS)

Basic earnings per share (EPS) is computed by dividing the profit after tax or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all the dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity would decrease the net profit per share from continuing ordinary operations.

(t) Government Grants, subsidies and export incentives

Government grants and subsidies are accounted when there is reasonable assurance that the Group will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognised in the Statement of Profit and Loss. Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

(u) Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). **Identification of segments:** In accordance with Ind As 108 “operating segment”, the operating segment used to present segment information reviewed by CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the group that engages in the business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the group’s other components.

(v) Dividend

The Group recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Group on or before the end of the reporting period. As per Corporate laws in India, a distribution in the nature of final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(w) Standards issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Restated Consolidated Financial Information is required to be disclosed.

(x) Events after reporting date

Where events occur after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the Restated Consolidated Financial Information. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(iii) Key estimates and assumptions

The preparation of the Group’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

Judgement

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material

- Useful lives of property, plant and equipment (including right of use assets) and intangible assets

(Note 3)

- Definition of lease, lease term and discount rate for the calculation of lease liability (Note 36)

Assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Useful lives of property, plant and equipment (including right of use assets) and intangible assets (Note 3)
- Impairment of Goodwill and other Intangible Assets (Note 5)
- Identifying performance obligations under contracts with customer (Note 45)
- Timing of revenue recognition under contracts with customers (Note 45)
- Measurement of Defined Benefit Obligations (Note 41)
- Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources (Note 37)
- Provision for Expected credit losses (Note 11)
- Recognition of deferred tax assets (Note 35)
- Definition of lease, lease term and discount rate for the calculation of lease liability (Note 36)

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Total Income

Total income comprises revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises sale of our products and other operating revenue. Revenue from sale of products predominantly includes scholastic stationery, scholastic art materials, hobby & craft, office supplies, paper stationery, kits and combos and other products. Other operating revenue primarily includes certain export incentives received by our Company, in relation to the export of our products.

Other income

Other income predominantly comprises of interest income received from financial assets measured at amortised costs, net profit on sale of property, plant and equipment, provisions no longer required written back, net foreign exchange gain and other non-operating income.

Expenses

Our expenses comprise of cost of materials consumed, purchases of stock-in-trade, changes in inventories of finished goods, stock-in-trade and work-in-progress, employee benefits expense, finance cost, depreciation and amortization expense, and other expenses.

Cost of materials consumed

The cost of materials consumed include cost of raw materials and packing materials. Raw materials predominantly include wooden sleepers and slats, graphite, clay, wax and pigment, adhesives, various oils, fillers, pigments, polymers, tin plate sheets, inks and coating materials, plastic components, polypropylene mixes, certain chemicals for manufacture of erasers, etc.

Purchases of stock-in-trade

Purchase of stock in trade include purchase of stationery goods such as writing chalks and fine art material.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of stock in trade, finished goods and work in progress represent the difference between the opening and closing stock of finished goods, work in progress and stock-in-trade.

Employee benefit expenses

Employee benefit expenses comprises of salaries and wages, contribution to provident and other funds, gratuity expenses and staff welfare expenses.

Finance cost

Finance cost comprises predominantly of interest expense on bank borrowings, borrowings from related parties and other borrowings, interest on lease liabilities and other finance costs, which include bank charges, etc.

Depreciation and Amortisation Expense

Depreciation and amortisation expenses comprise of depreciation of property, plant and equipment, amortization of other intangible assets, and depreciation for right of use assets.

Other expenses

Other expenses predominantly comprise of power and fuel costs, consumables, store and spare expenses, manufacturing charges, travelling and conveyance expenses, legal and professional fees, advertisement and business promotional expenses, cost of repairs and maintenance, freight outward and clearing expenses and other miscellaneous expenses.

RESULTS OF OPERATIONS

The following table sets forth selected information from our results of operations as a percentage of total income for the Fiscals 2021, 2022 and 2023 and the six months period ended September 30, 2023:

Particulars	**Fiscal**						**Six months period ended September 30, 2023**	
	2021		**2022**		**2023**			
	(in ₹ millions)	**% of total income**	**(in ₹ millions)**	**% of total income**	**(in ₹ millions)**	**% of total income**	**(in ₹ millions)**	**% of total income**
Revenue from operations	4,028.17	98.54	6,836.01	99.62	12,118.90	99.62	7,617.98	99.68
Other Income	59.71	1.46	26.24	0.38	46.33	0.38	24.17	0.32
Total income	**4,087.88**	**100.00**	**6,862.25**	**100.00**	**12,165.23**	**100.00**	**7,642.15**	**100.00**
Expenses								
Cost of materials consumed	2,321.45	56.79	4,251.36	61.95	7,427.37	61.14	4,338.28	56.77
Purchases of stock in trade	115.61	2.83	137.15	2.00	261.05	2.15	344.06	4.50
Changes in inventories of finished goods, work-in-progress and stock in trade	16.39	0.40	(67.79)	(0.99)	(54.75)	(0.45)	(93.17)	(1.22)
Employee benefit expenses	710.63	17.38	1,014.12	14.78	1,417.96	11.66	1,025.26	13.42
Finance costs	88.05	2.15	103.00	1.50	118.80	0.98	78.45	1.03

Particulars	Fiscal						Six months period ended September 30, 2023	
	2021		2022		2023			
	(in ₹ millions)	% of total income	(in ₹ millions)	% of total income	(in ₹ millions)	% of total income	(in ₹ millions)	% of total income
Depreciation and amortization expense	347.69	8.51	380.13	5.54	406.50	3.34	227.86	2.98
Other expenses	563.84	13.79	804.04	11.72	1,200.68	9.87	729.10	9.54
Total expenses	**4,163.66**	**101.85**	**6,622.01**	**96.50**	**10,777.61**	**88.59**	**6,649.84**	**87.02**
Share of (loss)/profit equity accounted investees	-	-	-	-	0.01	0.00	(0.88)	(0.01)
Profit/(loss) before tax for the period/year	**(75.78)**	**(1.85)**	**240.24**	**3.50**	**1,387.63**	**11.41**	**991.43**	**12.97**
Tax expenses								
Current tax	24.34	0.60	75.38	1.10	378.53	3.11	266.65	3.49
Deferred tax (credit)	(39.86)	(0.98)	(6.54)	(0.10)	(19.61)	(0.16)	(14.28)	(0.19)
Total tax expenses	**(15.52)**	**(0.38)**	**68.84**	**1.00**	**358.92**	**2.95**	**252.37**	**3.30**
Profit/(loss) for the period/year	**(60.26)**	**(1.47)**	**171.40**	**2.50**	**1,028.71**	**8.46**	**739.06**	**9.67**

FOR THE SIX MONTHS PERIOD ENDED SEPTEMBER 30, 2023

Total Revenue

Revenue from operations

Our revenue from operations for the six months period ended September 30, 2023 was ₹7,617.98 million which was 99.68% of our total income for the same period. Our revenue from operations for Fiscal 2023 constituted 99.62% of our total income. Sale of products was ₹7,603.09 million constituting 99.80% of revenue from operations during the six months period ended September 30, 2023 and export incentive was ₹14.89 million. The following table gives the breakup of our sale products for the six months period ended September 30, 2023:

Products	Total amount	%age of Sale of Products
Scholastic Stationery	3,543.59	46.61
Scholastic Art Material	2,029.86	26.70
Paper Stationery	773.15	10.17
Kits & Combos	672.58	8.85
Office Supplies	488.05	6.42
Hobby & Craft	112.64	1.48
Fine Art Products	83.18	1.09
Others	65.34	0.86
Less: Discounts, incentives, rebates	(165.30)	(2.17)
Total	**7,603.09**	**100.00**

Other income

Our other income for the six months period ended September 30, 2023 was ₹24.17 million which was 0.32% of our total income for the same period. Our other income for Fiscal 2023 constituted 0.38% of our total income. For six months ended September 30, 2023, the key component of our other income was foreign exchange gain(net) of ₹16.18 million which constituted 0.21% of our total income.

Total Expenses

Cost of materials consumed

Our cost of materials consumed for the six months period ended September 30, 2023 was ₹4,338.28 million which was 56.77% of our total income for the same period. Our cost of materials consumed for Fiscal 2023 constituted 61.14% of our total income.

Purchase of stock in trade

Our purchase of stock in trade for the six months period ended September 30, 2023 was ₹344.06 million which was 4.50% of our total income for the same period. Our purchase of stock in trade for Fiscal 2023 constituted 2.15% of our total income.

Changes in inventories of finished goods, work-in-progress and stock in trade

The changes in inventories of finished goods, work-in-progress and stock in trade for the six months period ended September 30, 2023 was ₹(93.17) million.

Employee benefit expenses

Our employee benefit expenses for the six months period ended September 30, 2023 was ₹1,025.26 million which was 13.42% of our total income for the same period. Our employee benefit expenses for Fiscal 2023 constituted 11.66% of our total income.

Finance costs

Our finance costs for the six months period ended September 30, 2023 was ₹78.45 million which was 1.03% of our total income for the same period. Our finance costs for Fiscal 2023 constituted 0.98% of our total income.

Depreciation and amortization

Our depreciation and amortization for the six months period ended September 30, 2023 was ₹227.86 million which was 2.98% of our total income for the same period. Our depreciation and amortization expenses for Fiscal 2023 constituted 3.34% of our total income.

Other expenses

Our other expenses for the six months period ended September 30, 2023 was ₹729.10 million which was 9.54% of our total income for the same period. For six months period ended September 30, 2023 our other expenses primarily are power and fuel of ₹242.20 million, freight, outward and clearing expenses of ₹203.85 million, consumables, store and spare expenses of ₹74.70 million. Our other expenses for Fiscal 2023 constituted 9.87% of our total income.

Tax expenses

Our current tax expenses for the six months period ended September 30, 2023 was ₹266.65 million which was 3.49% of our total income for the same period. Our current tax expenses for Fiscal 2023 constituted 3.11% of our total income.

Our deferred tax (credit) for the six months period ended September 30, 2023 was ₹(14.28) million which was (0.19) % of our total income for the same period. Our deferred tax (credit) for Fiscal 2023 constituted (0.16)% of our total income.

Profit for the six months ended September 30, 2023

Our profit for the six months ended September 30, 2023 was ₹739.06 million which was 9.67% of our total income for the same period. Our profit for the Fiscal 2023 constituted 8.46% of our total income.

FISCAL 2023 COMPARED TO FISCAL 2022

Total revenue

Revenue from operations

Our revenue from operations increased by 77.28% to ₹12,118.90 million in Fiscal 2023 from ₹6,836.01 million in Fiscal 2022, due to an increase in volume of products sold, higher per unit realisation, as well as an increase in export incentives received, due to an increase in export sales. We attribute such increase in sales volumes to (a) continued opening up of the restrictions post the COVID-19 pandemic lockdown, which increased physical presence in educational institutions and offices, thereby increasing the demand for stationery products; (b) deeper penetration of education across the country; (c) in higher acceptance of our products in the domestic market, resulting in an increase in demand and sales; and (d) increase in our exports due to an expansion of our overseas sales and distribution, either directly to FILA or to other third party international customers.

Such increase in sales volume was predominantly driven by an increase in gross product sales of (a) scholastic stationery, which increased by 73.96% to ₹5,668.68 million in Fiscal 2023 from ₹3,269.83 million in Fiscal 2022; (b) scholastic art material, which increased by 75.99% to ₹2,927.97 million in Fiscal 2023 from ₹1,663.70 million in Fiscal 2022; (c) paper stationery, which increased by 98.74% to ₹1,273.52 million in Fiscal 2023 from ₹640.78 million in Fiscal 2022; (d) kits and combos, which increased by 58.60%, to ₹1,263.83 million in Fiscal 2023 from ₹796.86 million in Fiscal 2022; (e) office supplies, which increased by 86.68% to ₹752.45 million in Fiscal 2023 from ₹403.06 million in Fiscal 2022; (f) products for hobbies and crafts, which increased to ₹157.26 million in Fiscal 2023 from ₹6.46 million in Fiscal 2022; (g) fine art products, which increased by 47.29% to ₹141.69 million in Fiscal 2023 from ₹96.20 million in Fiscal 2022, which were partially offset by an increase in discounts, incentives and rebates offered by us on our products, from ₹126.75 million in Fiscal 2022 to ₹240.74 million in Fiscal 2023

Our export incentives increased due to an increase in our gross export sales by 56.36% to ₹2,575.74 million in Fiscal 2023 from ₹1,647.31 million in Fiscal 2022.

Other income

Other income increased by 76.52% to ₹46.33 million in Fiscal 2023 from ₹26.24 million in Fiscal 2022. Such increase was primarily attributable to an increase in (a) net gain from foreign exchange to ₹26.78 million in Fiscal 2023 from ₹10.93 million from Fiscal 2022 on account of fluctuation in the foreign exchange rate; (b) interest income for financial assets admeasured at amortised costs from banks and others by 23.89% to ₹6.62 million in Fiscal 2023 from ₹5.35 million in Fiscal 2022; and (c) other non-operating income from ₹4.97 million in Fiscal 2023 to ₹1.96 million in Fiscal 2022 primarily due to net increase in rent income by ₹1.84 million in Fiscal 2023.

Total expenses

Cost of materials consumed

Cost of materials consumed increased by 74.71% to ₹7,427.37 million in Fiscal 2023 from ₹4,251.36 million in Fiscal 2022. Such increase was predominantly due to increase in purchase of raw materials made during the year, due to an increase in volumes produced and sales.

Purchases of stock in trade

Purchases of stock in trade comprised of stationery goods and art materials, which increased by 90.33% to ₹261.05 million in Fiscal 2023 from ₹137.15 million in Fiscal 2022. Such increase was predominantly due to an increase in purchase consequent to overall growth in sales of such stationery goods and art materials.

Changes in inventories of finished goods, stock in trade and work-in-progress

Changes in inventories of finished goods, stock in trade and work-in-progress decreased by 19.25% to ₹(54.75) million in Fiscal 2023 from ₹(67.79) million in Fiscal 2022. This was predominantly due to an increase in inventory of finished goods, work in progress and stock in trade at the end of the year to support increase in demand for our products and higher production volumes on account of increase in capacities. For further details, see "*Our Business – Production Capacity and Capacity Utilisation*" on page 224.

Employee benefit expenses

Employee benefit expenses increased by 39.82% to ₹1,417.96 million in Fiscal 2023 from ₹1,014.12 million in Fiscal 2022. This was predominantly due to an increase in salary and wages and increase in contribution to provident and other funds. This was consequent to an increase in our number of employees, growth in annual salaries as well as an incremental rise in minimum wages.

Finance costs

Finance costs increased by 15.34% to ₹118.80 million in Fiscal 2023 from ₹103.00 million in Fiscal 2022. This was predominantly due to an increase in interest expenses on our borrowings from banks and other finance cost.

Depreciation and amortization expense

Depreciation and amortization expense increased marginally by 6.94% to ₹406.50 million in Fiscal 2023 from ₹380.13 million in Fiscal 2022. This was predominantly due to increase in the gross carrying amount of property, plant and equipment and the resultant depreciation of property, plant, and equipment right of use assets during the year.

Other Expenses

Other expenses increased by 49.33% to ₹1,200.68 million in Fiscal 2023 from ₹804.04 million in Fiscal 2022. This was predominantly due to an increase in the power and fuel costs, consumable store and spare expenses, manufacturing charges, travelling, conveyance expenses, legal fees, and freight outward and clearing expenses. Such increase was in-line with an increase in the volumes manufactured, as described above, which required an increase in other expenses.

Tax expenses

Our current tax expenses increased to ₹378.53 million in 2023 from ₹75.38 million in 2022. This was predominantly due to an increase in profit for the year.

Deferred tax credit increased to ₹19.61 million in Fiscal 2023 as compared to ₹6.54 million in Fiscal 2022. This was due to an increase in certain deferred tax assets.

Profit for the year

Due to the reasons stated above, our profit for the year increased to ₹1,028.71 million in Fiscal 2023 from ₹171.40 million in Fiscal 2022.

FISCAL 2022 COMPARED TO FISCAL 2021

Total revenue

Revenue from operations

Our revenue from operations increased by 69.71% to ₹6,836.01 million in Fiscal 2022 from ₹4,028.17 million in Fiscal 2021, predominantly due to an increase in the sale of our products due to (a) partial relaxation of COVID-19 induced lockdown, resulting in the gradual opening up of domestic and export markets and increased physical presence in educational institutions and offices, thereby increasing the demand for stationery products; (b) deeper penetration of education across the country; and (c) increase in our exports due to an expansion of our overseas sales and distribution, either directly to FILA or to other third parties.

Such increase in sales volume was predominantly driven by an increase in gross product sales of (a) scholastic stationery, which increased by 71.19% to ₹3,269.83 million in Fiscal 2022 from ₹1,910.03 million in Fiscal 2021; (b) scholastic art material, which increased by 70.60% to ₹1,663.70 million in Fiscal 2022 from ₹975.20 million in Fiscal 2021; (c) paper stationery, which increased by 59.18% to ₹640.78 million in Fiscal 2022 from ₹402.54 million in Fiscal 2021; (d) kits and combos, which increased by 71.38%, to ₹796.86 million in Fiscal 2022 from ₹464.95 million in Fiscal 2021; (e) office supplies, which increased by 64.11% to ₹403.06 million in Fiscal 2022 to ₹245.60 million in Fiscal 2021; (f) fine art products, which increased by 65.49% to ₹96.20 million in Fiscal

2022 from ₹58.13 million in Fiscal 2021.

Our export incentives increased due to an increase in our gross export sales by 64.45% to ₹1,647.31 million in Fiscal 2022 from ₹1,001.70 million in Fiscal 2021.

Other income

Other income decreased by 56.05% to ₹26.24 million in Fiscal 2022 from ₹59.71 million in Fiscal 2021. This decrease was predominantly due to a profit from sale of property, plant and equipment of ₹30.41 million in Fiscal 2021.

Total expenses

Cost of materials consumed

Cost of materials consumed increased by 83.13% to ₹4,251.36 million in Fiscal 2022 from ₹2,321.46 million in Fiscal 2021. Such increase was predominantly due to increase in purchase of raw materials made during the year, due to an increase in volumes produced and sales, due to the factors mentioned above. In addition to an increase in raw material volumes purchased, prices of certain key raw materials also increased during Fiscal 2022, resulting in an increase in the cost of materials consumed.

Purchases of stock in trade

Purchases of stock in trade was ₹137.15 million in Fiscal 2022 as compared to ₹115.61 million in Fiscal 2021. Such increase was predominantly due to an increase in purchase volume of stationery goods and art materials during the year consequent to business growth.

Changes in inventories of finished goods, stock in trade and work-in-progress

Changes in inventories of finished goods, stock in trade and work-in-progress was ₹(67.79) million in Fiscal 2022 from ₹16.39 million in Fiscal 2021. This was predominantly due to an increase in inventory of finished goods, work in progress and stock in trade at the end of the year to support increased demand of our products.

Employee benefit expenses

Employee benefit expenses increased by 42.71% to ₹1,014.12 million in Fiscal 2022 from ₹710.63 million in Fiscal 2021. This was predominantly due to an increase in salary and wages and increase in contribution to provident and other funds. This was consequent to an increase in annual salaries, incremental growth in minimum wages as well as an increase in our workforce.

Finance costs

Finance costs increased by 16.97% to ₹103.00 million in Fiscal 2022 from ₹88.05 million in Fiscal 2021. This was predominantly due to an increase in interest paid on lease liabilities as well as interest expenses on borrowings from related parties.

Depreciation and amortization expense

Depreciation and amortization expense increased marginally by 9.33% to ₹380.13 million in Fiscal 2022 from ₹347.69 million in Fiscal 2021. This was predominantly due to increase in the gross carrying amount of property, plant and equipment and the resultant depreciation of property, plant, equipment and right of use assets during the year.

Other Expenses

Other expenses increased by 42.60% to ₹804.04 million in Fiscal 2022 from ₹563.84 million in Fiscal 2021. This was predominantly due to an increase in the power and fuel costs, consumable store and spare expenses, manufacturing charges, travelling, conveyance expenses, and freight outward and clearing expenses. Such increase was in-line with an increase in the volumes manufactured, as described above, which required an increase in other expenses.

Tax expenses

Our current tax expenses increased to ₹75.38 million in 2022 from ₹24.34 million in 2021. This was predominantly due to an increase in profit for the year.

Deferred tax credit decreased to ₹6.54 million in Fiscal 2022 as compared to ₹39.86 million in Fiscal 2021. This was due to a decrease in certain deferred tax assets.

Profit for the year

Due to the reasons stated above, our profit for the year increased to ₹171.40 million in Fiscal 2022 from a loss of ₹60.26 million in Fiscal 2021.

DISCUSSION ON THE STATEMENT OF CASH FLOWS

The following table sets forth certain information relating to our Company's statement of cash flows for the periods indicated:

(in ₹ million)

Particulars	Fiscals			Six months period ended September 30, 2023
	2021	2022	2023	
Net cash flows generated from operating activities	152.13	509.39	1,732.63	1,081.16
Net cash flows (used in) investing activities	(187.49)	(337.26)	(1,359.34)	(1,283.38)
Net cash flows (used in)/generated from financing activities	249.27	(305.85)	(123.74)	341.99
Net increase/(decrease) in cash and cash equivalents	213.91	(133.72)	249.55	139.77

Operating activities

In the six months period ended September 30, 2023, net cash generated from operating activities was ₹1,081.16 million. This comprised of the profit before tax of ₹991.43 million, which was primarily adjusted for depreciation and amortization expenses of ₹227.86 million, and finance cost of ₹78.45 million. The resultant operating profit before working capital changes was ₹1,311.23 million, which was primarily adjusted for an increase in inventories purchased during the year of ₹71.75 million, increase in trade receivables of ₹29.79 million, increase in trade payables of ₹52.74 million, increase in other current liabilities of ₹27.17 million, increase in other current assets of ₹105.47 million, and increase in other financial liabilities of ₹102.38 million. We also paid an income tax, net of refunds of ₹213.80 million.

In Fiscal 2023, net cash generated from operating activities was ₹1,732.63 million. This comprised of the profit before tax of ₹1,387.63 million, which was primarily adjusted for depreciation and amortization expenses of ₹406.50 million, and finance cost of ₹118.80 million. The resultant operating profit before working capital changes was ₹1,923.54 million, which was primarily adjusted for an increase in inventories purchased during the year of ₹254.50 million, decrease in trade receivables of ₹134.76 million, increase in trade payables of ₹61.82 million, increase in other current liabilities of ₹122.62 million, decrease in other current assets of ₹33.68 million, and increase in other financial liabilities of ₹30.40 million. We also paid an income tax, net of refunds of ₹344.66 million.

In Fiscal 2022, net cash generated from operating activities was ₹509.39 million. This comprised of the profit before tax of ₹240.24 million, which was primarily adjusted for depreciation and amortization expenses of ₹380.13 million, and finance cost of ₹102.52 million. The resultant operating profit before working capital changes was ₹748.02 million, which was primarily adjusted for an increase in inventories purchased during the year of ₹384.12 million, increase in trade receivables of ₹57.21 million, increase in other current assets of ₹33.93 million, increase in trade payables of ₹210.02 million, and increase in other current liabilities of ₹29.22 million. We also paid an income tax, net of refunds of ₹31.96 million.

In Fiscal 2021, net cash generated from operating activities was ₹152.13million. This comprised of the loss before tax of ₹75.78 million, which was primarily adjusted for depreciation and amortization expenses of ₹347.69 million, and finance cost of ₹88.02 million. There was a net gain of ₹30.41 million on the sale of property, plant, and equipment. The resultant operating profit before working capital changes was ₹323.19 million, which was primarily adjusted for a decrease in inventories purchased during the year of ₹68.96 million, increase in trade receivables of ₹85.73 million, decrease in trade payables of ₹82.30 million, increase in other financial non-current assets of ₹50.87 million, and increase in other financial liabilities of ₹21.98 million. We also paid an income tax, net of refunds of ₹21.99 million.

Investing activities

In the six months period ended September 30, 2023, net cash used in investing activities was ₹1,283.38 million, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress and capital advances) of ₹634.53 million and an investment in subsidiary, net of cash of ₹705.10 million which was partially offset by proceeds received from investments in fixed deposits of ₹58.03 million.

In Fiscal 2023, net cash used in investing activities was ₹1,359.34 million, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress and capital advances) of ₹1,362.91 million.

In Fiscal 2022, net cash used in investing activities was ₹337.26 million, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress and capital advances) of ₹348.93 million.

In Fiscal 2021, net cash used in investing activities was ₹187.49 million, which primarily comprised of cash used for the purchase of property, plant, and equipment (including capital work in progress and capital advances) of ₹230.18 million and investment in fixed deposits of ₹31.92 million, which was partially offset by proceeds received from the sale of property, plant and equipment of ₹66.13 million.

Financing activities

In the six months period ended September 30, 2023, net cash generated from financing activities was ₹341.99 million, which predominantly comprised of dividend paid of ₹93.13 million, payment of lease liabilities of ₹62.59 million and finance cost paid of ₹48.65 million, which was partially offset by proceeds received, net of repayments made from borrowings of ₹563.04 million.

In Fiscal 2023, net cash used in financing activities was ₹123.74 million, which predominantly comprised of dividend paid of ₹55.88 million, payment of lease liabilities of ₹73.59 million and finance cost paid of ₹107.84 million, which was partially offset by proceeds received, net of payments made from borrowings of ₹145.61 million.

In Fiscal 2022, net cash used in financing activities was ₹305.85 million, which predominantly comprised of net of repayments made from borrowings of ₹116.37 million, payment of lease liabilities of ₹79.17 million and finance cost paid of ₹79.06 million.

In Fiscal 2021, net cash generated from financing activities was ₹249.27 million, which predominantly comprised of payment of lease liabilities of ₹50.81 million and finance cost paid of ₹63.21 million which was partially offset by proceeds received, net of repayments made from borrowings of ₹384.05 million.

BUSINESS SEGMENTS

Our operations fall under a single business segment, which is "stationery products". Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the Restated Consolidated Financial Information.

We disaggregate our revenue based on geographical locations which are revenue generated within India and from outside India, the details of which are as follows:

(in ₹ million)

	Fiscal 2021			**Fiscal 2022**			**Fiscal 2023**			**Six months period ended September 30, 2023**		
	Within India	**Outside India**	**Total**	**Within India**	**Outside India**	**Total**	**Within India**	**Outside India**	**Total**	**Within India**	**Outside India**	**Total**
Segment Revenue*	3,001.91	1,001.68	4,003.59	5,158.09	1,646.11	6,804.20	9,502.13	2,574.47	12,076.60	6,162.14	1,440.95	7,603.09

Excludes other operating revenues.

As on date of this Red Herring Prospectus, there are no new products or segments that have been announced but are yet to be launched.

INDEBTEDNESS

As at October 31, 2023, our consolidated borrowings aggregated to ₹1,527.24 million, comprising of secured loan of ₹325.06 million and unsecured loan of ₹1,202.18 million. For further details of our borrowings, see section titled "*Financial Indebtedness"* on page 392.

There are a number of covenants in our financing agreements that we have entered into with our lenders. Further, some of our financing agreements include conditions and covenants that require us to obtain their consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business. For further details, see section titled "*Risk Factors*" on page 32.

CONTINGENT LIABILITIES, CONTIGENT ASSETS AND OFF-BALANCE SHEET ARRANGEMENTS

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within our control or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets

Contingent assets are not recognised in the financial assets. However, the same is considered when the realisation is certain, and it is no longer considered contingent. The asset is recognised in the period in which the change from contingent asset to asset occurs.

The following table sets forth certain information relating to our contingent liabilities:

(in ₹million)

	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of September 30, 2023
Income Tax payable on disallowance made under section 80IB and 36(1)(va)	2.55	2.55	2.55	2.55

For further details, please see "*Restated Financial Statements – Note 37- Contingent liabilities & contingent assets*" on page 327.

We have certain claims, realization of which is dependent on the outcome of certain legal proceedings. We believe that probable outcome in all such claims is uncertain. Hence, no disclosure of such claims has been made in the Restated Consolidated Financial Information.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

For details of our related party transactions, please see "*Restated Consolidated Financial Information – Note 44 - Related parties*" on page 336.

AUDITOR'S OBSERVATIONS

Our Statutory Auditors have not included any qualifications or emphasis of matter in the Restated Consolidated Financial Information.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the course of undertaking our business, we are exposed to the following risks arising from financial instruments, which include credit risk, liquidity risk and market risk. Our primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on our financial performance. The financial risks are managed in accordance with the risk management policy, which has been approved by our Board of Directors.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss. The potential activities where credit risks may arise include from cash and cash equivalents, security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business. We have a policy under which each new customer is analysed individually for creditworthiness before offering credit period and delivery terms and conditions.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. Our financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We have practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Market Risk

Market risk is the risk that results in changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect our income or the value of our holdings of financial instruments.

Our operations result in us being exposed to foreign currency risk on account of trade receivables, trade payables and borrowings. The foreign currency risk may affect our income and expenses, or our financial position and cash flows. The objective of our management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

CHANGES IN ACCOUNTING POLICIES

For details of changes in accounting policies in the last three years, please see "*Restated Consolidated Financial Information*" on page 283.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not seasonal in nature.

EXPECTED FUTURE CHANGES IN RELATIONSHIP BETWEEN COSTS AND REVENUES

Except as discussed in the section titled "*Risk Factors*" on page 32 and this section, and elsewhere in this Red Herring Prospectus, there are no known factors that will have a material adverse impact on our operations or finances and future changes in relationship between costs and revenues.

DEPENDENCE ON CUSTOMERS AND SUPPLIERS

Our income is not dependent on a single customer or supplier or a few customers or suppliers. Further, no foreign customer or supplier contributes to a significant portion of our business.

Contribution of our customers and suppliers, as a percentage of total revenue and cost, respectively, for the periods indicated below:

Customers	% contribution to revenue from operations for Fiscal 2021	% contribution to revenue from operations for Fiscal 2022	% contribution to revenue from operations for Fiscal 2023	% contribution to revenue from operations for the six months period ended September 30, 2023
Top 10 customers	44.71	43.01	39.81	39.09
Top 20 customers	59.02	56.65	53.95	53.70

Suppliers	% contribution to total expenses for Fiscal 2021	% contribution to total expenses for Fiscal 2022	% contribution to total expenses for Fiscal 2023	% contribution to total expenses for the six months period ended September 30, 2023
Top 10 suppliers	17.11	25.30	26.14	19.64
Top 20 suppliers	22.74	33.35	33.32	26.04

SIGNIFICANT ECONOMIC CHANGES THAT HAVE MATERIALLY AFFECTED OR LIKELY TO AFFECT INCOME FROM MATERIAL OPERATIONS

There are no significant economic changes that have materially affected or likely to affect income from material operations.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2023, THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

There are no significant developments that have occurred post September 30, 2023, that affect (a) our trading or profitability, (b) the value of our assets, or (c) our ability to pay our liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries avail credit facilities in their ordinary course of business for the purposes of *inter alia* meeting their working capital requirements and other business requirements. Our Board is empowered to borrow money in accordance with Sections 179 and 180 of the Companies Act and our Articles of Association. For details regarding the borrowing powers of our Board, see "*Our Management - Borrowing Powers*" on page 258.

The details of aggregate outstanding borrowings of our Company (on a consolidated basis) as on October 31, 2023, are set forth below:

(*in ₹ million*)

Category of borrowing	Sanctioned amount as on October 31,2023	Outstanding amount as on October 31,2023
Borrowings of our Company		
Secured		
Working capital facilities		
- Fund based#	670.00	48.37
- Non-fund based	-	38.81#
Term loans	430.00	143.87
Vehicle loans	2.50	1.65
Sub-total (A)	**1,102.50**	**232.70**
Unsecured		
Working capital facilities		
- Fund based	501.00	250.00
- Non-fund based	-	-
Loan from the Directors	1,000.00	760.19
Sub-total (B)	**1,501.00**	**1,010.19**
Sub-total (C=A+B)	**2,603.50**	**1,242.89**
Borrowings of our Subsidiary- Pioneer Stationery Private Limited		
Secured		
Working capital facilities		
- Fund based	70.00	42.35
- Non-fund based	-	-
Term loans	30.00	18.37
Vehicle loans	6.00	2.87
Sub-total (D)	**106.00**	**63.59**
Unsecured		
Working capital facilities		
- Fund based	-	-
- Non-fund based	10.00	-
Loan from directors of Subsidiary	150.00	57.62
Sub-total (E)	**160.00**	**57.62**
Sub-total (F=D+E)	**266.00**	**121.21**
Borrowings of our Subsidiary- Micro Wood Private Limited		
Secured		
Working capital facilities		
- Fund based	15.00	2.32
Term loans	35.00	18.42
Vehicle loans	9.68	8.03
Sub-total (G)	**59.68**	**28.77**
Unsecured		
Loan from directors of Subsidiary	200.00	134.37
Sub-total (H)	**200.00**	**134.37**
Sub-total (I=G+H)	**259.68**	**163.14**
Total Borrowings (J= C+F+I)	**3,129.18**	**1,527.24**

**As certified by M.I. Shah & Co., Chartered Accountants, pursuant to their certificate dated December 2, 2023.*
#Working capital facilities sanctioned by the banks gives sub-limit to our Company to utilise fund-based limits for non-fund-based purposes.

For further details of our outstanding borrowings as on March 31, 2021, March 31, 2022, March 31, 2023 and September 30, 2023, see the section titled "*Restated Consolidated Financial Information*" on page 283.

In relation to the Offer, we have obtained the necessary consents from the lenders, required under the relevant loan documentation, for undertaking activities in relation to the Offer and in connection thereto.

Principal terms of the borrowings currently availed by our Company and Subsidiaries:

Brief details of the terms of our various borrowing arrangements are provided below and there may be similar/ additional terms, conditions and requirements under the borrowing arrangements entered into by our Company and Subsidiaries with our lenders:

1. ***Interest:*** The interest rate payable for the facilities availed by our Company and Material Subsidiary typically ranges between 7.50% per annum to 12.00% per annum, either at a floating rate or is linked to MCLR or benchmark rate of the respective lenders.

2. ***Tenor:*** The tenor of term loans availed by our Company and Material Subsidiary is typically 5 years. The tenor of working capital facilities availed by our Company and Material Subsidiary typically ranges from a period of 2 months to 12 months and are repayable on demand. These working capital facilities are subject to annual renewals. The unsecured loans availed from the Directors of our Company and from the directors of our Subsidiary are for a tenor of 10 years. Further, our Company and Material Subsidiary have availed vehicle loans, the tenor for which is typically 5 years.

3. ***Security:*** In terms of the secured borrowings availed by our Company and Material Subsidiary, we are required to, inter alia create a charge on certain immovable assets by way of mortgage and create a charge on movable assets, book debts, stock, stock for export, plant and machinery by way of hypothecation. In certain cases, our Corporate Promoter has furnished a standby letter of credit (SBLC) in relation to loans availed by our Company. Further, our Company has extended corporate guarantees in relation to certain borrowings of our Material Subsidiary.

4. ***Re-payment:*** The working capital facilities availed by us are typically repayable on demand or on their respective due dates within the maximum tenure. Our term loan facilities and vehicle loans are repayable in equated monthly instalments comprising of principal and interest as per the repayment schedule stipulated in the relevant loan documentation.

5. ***Pre-payment:*** Our working capital borrowing, term loan arrangements and vehicle loans typically have pre-payment provisions which allow for prepayment of the outstanding amount, subject to the conditions specified in the borrowing arrangements and in certain cases stipulate prepayment charges of up to 2.00% - 5.50% of the amount being prepaid. The loans availed from Directors can be prepaid without any pre-payment fees.

6. ***Key Covenants:*** Certain of our borrowing arrangements provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities. For instance, certain corporate actions for which we require the prior written consent from the relevant lender include *inter alia*:

   (a) effecting any change in ownership interest structure whereby the effective beneficial ownership or control shall change;

   (b) effecting any changes to the capital structure or shareholding pattern or in the management set up;

   (c) formulating or entering into any scheme of merger, amalgamation, compromise or reconstruction;

   (d) making any amendments to the constitutional documents;

   (e) undertaking any new project, implementing any scheme of expansion/ diversification or capital expenditure or acquiring fixed assets;

   (f) declaring or paying dividend if any instalment towards principal or interest remains unpaid; or

   (g) selling, transferring, leasing or otherwise disposing off all or substantially all of our properties or assets or any division thereof.

7. ***Events of Default:*** The borrowing arrangements entered into by us with the lender contains certain

instances, occurrence of which may result into an ‘event of default’, including:

(a) failure or delay in making payment/repayment of any principal amount or interest on the relevant due dates;

(b) if any representations or statements or particulars made are found to be incorrect or if there is any breach or default in the terms and/ or conditions contained in the loan documentation;

(c) deterioration or impairment of the secured assets or any part thereof, or any decline or depreciation in the value of market price thereof (whether actual or reasonably anticipated) which causes the security in the judgment of the lender to become unsatisfactory as to character or value;

(d) utilisation of the facilities or any part thereof for purposes other than as sanctioned by the lender;

(e) substantial change in the constitution or management without previous written consent of the lender;

(f) death, insolvency, winding up, failure in business, commission of an act of bankruptcy, filing of any petition for bankruptcy by or against our Company or if any receiver is appointed in respect of the whole or any part of the property/ assets of our Company;

(g) non-adherence to financial ratios, parameters, financial covenants as stipulated by the lender from time to time;

(h) breach or default under any other agreement involving borrowing of money; and

(i) any circumstance or event which would or is likely to prejudicially or have a material adverse effect in any manner the capacity of our Company to repay any loans or any part thereof.

This is an indicative list and there may be additional instances that may amount to an event of default under the various borrowing arrangements entered into by us.

8. ***Consequences of events of default**:* In terms of our borrowing arrangements, as a consequence of occurrence of events of default, our lenders may:

(a) declare that the dues and all of our obligations towards the lender shall immediately become due and payable irrespective of any agreed maturity;

(b) declare that the obligation of the lender to make or continue to make the facility or any part thereof available stands terminated; and

(c) be entitled to enforce its security created under the loan documentation.

This is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us.

For further details of financial and other covenants required to be complied with in relation to our borrowings, see “*Risk Factors – Other risks – 15. Indebtedness - Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition”* on page 42.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding: (i) criminal proceedings; (ii) actions by statutory and/or regulatory authorities; (iii) claims relating to direct and indirect taxes; and (iv) any other pending litigation (other than proceedings covered under (i) to (iii) above) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below), each involving our Company, Subsidiaries, Directors and/or Promoters (collectively, the "**Relevant Parties**").*

For the purpose of (iv) above, our Board in its meeting held on August 17, 2023 has considered and adopted the Materiality Policy for identification of material outstanding litigation involving Relevant Parties. In accordance with the Materiality Policy, all pending litigations (other than litigations mentioned in points (i) to (iii) above) involving the Relevant Parties would be considered 'material': (a) if the aggregate monetary claim/dispute amount/liability by or against the Relevant Parties, in any such pending litigation is equal to or exceeds 1% of the consolidated profit after tax of our Company for the most recent completed financial year as per the Restated Consolidated Financial Information, being ₹10.29 million; or (b) if the monetary liability involved in the litigation is not quantifiable or does not fulfil the threshold specified in (a) above but the outcome of such litigation could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company, in the opinion of our Board; or (c) if the decision in one litigation is likely to affect the decision in similar litigations such that the cumulative amount involved in such litigations exceeds the materiality threshold as specified in (a) above, even though the amount involved in an individual litigation may not exceed the materiality threshold as specified in (a) above.

Further, except as disclosed in this section, there are (a) no disciplinary actions (including a penalty) initiated by SEBI or a recognized stock exchange against our Promoters in the last five Fiscals immediately preceding the date of this Red Herring Prospectus, including any outstanding action; or (b) outstanding litigation involving any of our Group Companies which may have a material impact on our Company.

For the purposes of the above, pre-litigation notices received by the Relevant Parties or Group Companies from third parties (excluding those notices issued by statutory or regulatory or governmental or taxa authorities or notices threatening criminal action to the Relevant Parties) shall, unless otherwise decided by our Board, not be considered as material until such time the Relevant Party or Group Company is impleaded as a party in proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced. Furthermore, first information report involving the Relevant Parties shall be disclosed in this Red Herring Prospectus.

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of 5% of the consolidated trade payables of our Company as at the end of the most recent period covered in the Restated Consolidated Financial Information. The consolidated trade payables of our Company as on September 30, 2023, was ₹944.77 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor by our Company is equal to or is in excess of ₹47.24 million (being 5% of the consolidated trade payables) as on September 30, 2023.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

A. LITIGATION INVOLVING OUR COMPANY

I. Litigation by our Company

Criminal proceedings by our Company

There are no criminal proceedings initiated by our Company, as on the date of this Red Herring Prospectus.

Other material proceedings by our Company

1. Our Company filed a suit dated December 27, 2022 ("**Suit**") against Amrik Singh and Sons, John Doe and others ("**Defendants**") before the Delhi High Court. It is alleged that the Defendants were selling counterfeit products bearing the trademark of our Company ("**Mark**) for *inter alia*, colour pencils

("**Products**") without taking any leave, license, or permission to use the Mark. It further states that our Company has no control, access, or supervision over the mode of manufacture, technical expertise, quality, and plant used by the Defendants for the manufacturing and selling of the Products. Our Company has *inter alia* prayed for: (a) an order of permanent injunction restricting the Defendants and all others acting for and on behalf of the Defendants from dealing in any goods under the Mark; (b) an order of mandatory injunction directing the custom controller to prohibit the import or export of the Products; (c) an order for delivery all the infringing material; and (d) a decree of damages of ₹20.00 million or any other amount which may be ascertained at a later stage. The Delhi High Court, pursuant to its order dated December 30, 2022 ("**Order 1**") granted an ad interim injunction against the Defendants, restraining them from dealing in any goods under the Mark so as to cause infringement of the Mark. The Delhi High Court vide the Order 1 also appointed local commissioners to visit any of the offices and premises of the Defendants in order to conduct search and seizure and to make an inventory in case information is received about the Products being stored or dealt in the premises of the Defendants. Amrik Singh, one of the Defendants, filed a written statement dated May 15, 2023 ("**Written Statement**") stating that he never sold or supplied any counterfeit products bearing the Mark and that the search proceedings carried out by the local commissioner did not result in the recovery of any item carrying the Mark. The matter is currently pending.

II. Litigation against our Company

Criminal proceedings against our Company

There are no criminal proceedings initiated against our Company, as on the date of this Red Herring Prospectus.

Actions by statutory or regulatory authorities against our Company

1. Our Company received a notice dated January 12, 2017 ("**Notice**") from the Office of Inspector Legal Metrology (Weights & Measures) Department, Dewas, Madhya Pradesh for alleged violation of the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011 (together, the "**Rules**"), in relation to certain products manufactured by us. Subsequently, the Joint Controller, Legal Metrology, Madhya Pradesh issued a compounding order dated June 6, 2017 ("**Compounding Order**") imposing a penalty of ₹0.03 million against our Company and each of the then eight directors of our Company. Our Company filed an appeal ("**Appeal**") against the Compounding Order stating, *inter alia*, that prosecution initiated *vide* the Notice is against the advisory issued by the Central Government to enforcement authorities of States and union territories not to take any coercive action against packages not complying with the Rules until March 31, 2017. The Controller, Weights and Measures (Legal Metrology), Madhya Pradesh, pursuant to its order dated October 30, 2017 ("**Appeal Order**"), upheld the Compounding Order. Our Company has filed an appeal against the Appeal Order before the Central Government, stating *inter alia* that the Appeal Order is not a speaking order and does not consider the legal grounds raised in the Appeal. The matter is currently pending.

2. Our Company received a notice dated January 27, 2017 ("**Notice**") from the Office of Inspector Legal Metrology (Weights & Measures) Department, Khargone, Madhya Pradesh for alleged violation of the Legal Metrology Act, 2009, and the Legal Metrology (Packaged Commodities) Rules, 2011 (together, the "**Rules**") in relation to certain products manufactured by us. Subsequently, the Joint Controller, Legal Metrology, Madhya Pradesh issued a compounding order dated June 19, 2017 ("**Compounding Order**") imposing a penalty of ₹0.03 million against our Company and against each of the then eight directors of our Company. Our Company filed an appeal ("**Appeal**") against the Compounding Order stating *inter alia* that prosecution initiated *vide* the Notice is against the advisory issued by the Central Government to enforcement authorities of States and union territories not to take any coercive action against packages not complying with the Rules until March 31, 2017. The Controller, Weights and Measures (Legal Metrology), Madhya Pradesh, pursuant to its order dated October 30, 2017 ("**Appeal Order**"), upheld the Compounding Order. Our Company has filed an appeal against the Appeal Order before the Central Government, stating *inter alia* that the Appeal Order is not a speaking order giving grounds for rejection of the points raised in the Appeal. The matter is currently pending.

3. Our Company received a notice dated August 4, 2017 ("**Notice**") from the Office of Senior Inspector Legal Metrology, Meerut, Uttar Pradesh for alleged violation of the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011 in relation to certain products manufactured by us. We have filed a reply dated August 23, 2017, to the Notice before the Senior Inspector, Legal

Metrology, Meerut ("**Inspector**") stating that the issue had already been settled in 2007 *vide* a clarification dated January 12, 2007 issued by the Director of Legal Metrology, Government of India and the impugned products were in compliance with the relevant legal requirements and requesting the Inspector to drop the proceedings initiated against our Company. The matter is currently pending.

4. Our Company received a notice dated May 30, 2019 ("**Notice**") from the Office of Senior Inspector, Legal Metrology, Baliya, Uttar Pradesh ("**Inspector**") for alleged violation of the Legal Metrology Act, 2009 ("**Act**") and the Legal Metrology (Packaged Commodities) Rules, 2011 in relation to certain products manufactured by us. We have filed a reply dated July 19, 2019, to the Notice before the Controller of UP Legal Metrology (Weights & Measures), Lucknow, stating that the Inspector has misrepresented the provisions of the Act. The matter is currently pending.

Other material proceedings against our Company

1. Kokuyo Camlin Limited ("**Plaintiff**") has filed a civil suit dated October 11, 2017 ("**Suit**") before the Bombay High Court, against our Company, *inter alia*, for recovery of ₹0.50 million. The Plaintiff alleged that there has been an infringement and/or passing off of certain designs in relation to mathematical instrument box, compass, and divider ("**Designs**") which are registered in the name of the Plaintiff. Subsequently, our Company has filed a response on November 17, 2017, denying all the allegations made in the Suit. It stated that the Plaintiff is not the rightful proprietor of the Designs. Further, the Plaintiff has filed a frivolous and vexatious Suit with a view to extort money from our Company. Our Company has *inter alia*, prayed that the Designs that are registered in the name of the Plaintiff are liable to be cancelled and the Suit should be disposed of. The matter is currently pending.

Tax proceedings involving our Company

Nature of case	Number of cases	Amount in dispute/demand (in ₹ million, to the extent quantifiable)
Direct tax	4	3.75
Indirect tax	2	4.00
Total	**6**	**7.75**

B. LITIGATION INVOLVING OUR SUBSIDIARIES

I. Litigation by our Subsidiaries

Criminal proceedings by our Subsidiaries

There are no criminal proceedings initiated by our Subsidiaries, as on the date of this Red Herring Prospectus.

Other material proceedings by our Subsidiaries

There are no material proceedings initiated by our Subsidiaries, as on the date of this Red Herring Prospectus.

II. Litigation against our Subsidiaries

Criminal proceedings against our Subsidiaries

There are no criminal proceedings initiated against our Subsidiaries, as on the date of this Red Herring Prospectus.

Actions by statutory or regulatory authorities against our Subsidiaries

Pioneer Stationery Private Limited ("Pioneer")

1. Pioneer received a notice dated July 23, 2019 ("**Notice**") from the Office of Inspector Legal Metrology (Weights & Measures) Department, Baliya, Uttar Pradesh ("**Legal Metrology Inspector**") for alleged violation of the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011 in relation to certain products manufactured by Pioneer. Pioneer has filed a reply dated August 2, 2019, to the Notice before the Senior Inspector, Legal Metrology, Baliya, *inter alia* denying any violation

by Pioneer and stating that the prosecution is based on misrepresentation of rules and misquoting of law. The matter is currently pending.

2. Pioneer received a notice dated August 27, 2019 (“**Notice**”) from the Office of Inspector Legal Metrology (Weights & Measures) Department, Baliya, Uttar Pradesh (“**Legal Metrology Inspector**”) for alleged violation of the Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011 for alleged declaration of a non-standard unit (“**Declaration**”) on certain products manufactured by Pioneer. Pioneer has filed a reply dated September 10, 2019, to the Notice before the Senior Inspector, Legal Metrology, Baliya stating *inter alia* that there is no provision which states the symbol used in the Declaration as a non-standard unit. The matter is currently pending.

Other material proceedings against our Subsidiaries

There are no material proceedings initiated against our Subsidiaries as on the date of this Red Herring Prospectus.

Tax proceedings involving our Subsidiaries

Nature of case	**Number of cases**	**Amount in dispute/demand (in ₹ million, to the extent quantifiable)**
Pioneer Stationery Private Limited		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total		
Micro Wood Private Limited		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

C. LITIGATION INVOLVING OUR DIRECTORS

I. Litigation by our Directors

Criminal proceedings by our Directors

There are no criminal proceedings initiated by our Directors, as on the date of this Red Herring Prospectus.

Other material proceedings by our Directors

There are no material proceedings initiated by our Directors, as on the date of this Red Herring Prospectus.

II. Litigation against our Directors

Criminal proceedings against our Directors

There are no criminal proceedings initiated against our Directors as on the date of this Red Herring Prospectus.

Actions by statutory or regulatory authorities against our Directors

Santosh Rasiklal Raveshia

1. For details in relation to the penalty imposed on Santosh Rasiklal Raveshia by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see “*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*” on page 396.

2. For details in relation to the penalty imposed on Santosh Rasiklal Raveshia by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see “*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*” on page 396.

Sanjay Mansukhlal Rajani

1. For details in relation to the penalty imposed on Sanjay Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.
2. For details in relation to the penalty imposed on Sanjay Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.

Ketan Mansukhlal Rajani

1. For details in relation to the penalty imposed on Ketan Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.
2. For details in relation to the penalty imposed on Ketan Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.

Chandni Vijay Somaiya

1. For details in relation to the penalty imposed on Chandni Vijay Somaiya by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.
2. For details in relation to the penalty imposed on Chandni Vijay Somaiya by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.

Massimo Candela

1. For details in relation to the penalty imposed on Massimo Candela by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.
2. For details in relation to the penalty imposed on Massimo Candela by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.

Luca Pelosin

1. For details in relation to the penalty imposed on Luca Pelosin by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.
2. For details in relation to the penalty imposed on Luca Pelosin by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.

Annalisa Matilde Elena Barbera

1. For details in relation to the penalty imposed on Annalisa Matilde Elena Barbera by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.
2. For details in relation to the penalty imposed on Annalisa Matilde Elena Barbera by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.

Other material proceedings against our Directors

There are no material proceedings initiated against our Directors, as on the date of this Red Herring Prospectus.

Tax proceedings involving our Directors

Nature of case	Number of cases	Amount in dispute/demand (in ₹ million, to the extent quantifiable)
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	**Nil**	**Nil**

D. LITIGATION INVOLVING OUR PROMOTERS

I. Litigation by our Promoters

Criminal proceedings by our Promoters

There are no criminal proceedings initiated by our Promoters, as on the date of this Red Herring Prospectus.

Other material proceedings by our Promoters

There are no material proceedings initiated by our Promoters, as on the date of this Red Herring Prospectus.

II. Litigation against our Promoters

Criminal proceedings against our Promoters

There are no criminal proceedings initiated against our Promoters as on the date of this Red Herring Prospectus.

Actions by statutory or regulatory authorities against our Promoters

Santosh Rasiklal Raveshia

1. For details in relation to the penalty imposed on Santosh Rasiklal Raveshia by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.
2. For details in relation to the penalty imposed on Santosh Rasiklal Raveshia by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see "*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*" on page 396.

Sanjay Mansukhlal Rajani

1. For details in relation to the penalty imposed on Sanjay Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see "*Litigation*

involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company” on page 396.

2. For details in relation to the penalty imposed on Sanjay Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see “*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*” on page 396.

Ketan Mansukhlal Rajani

1. For details in relation to the penalty imposed on Ketan Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see “*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*” on page 396.

2. For details in relation to the penalty imposed on Ketan Mansukhlal Rajani by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see “*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*” on page 396.

Chandni Vijay Somaiya

1. For details in relation to the penalty imposed on Chandni Vijay Somaiya by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 6, 2017, see “*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*” on page 396.

2. For details in relation to the penalty imposed on Chandni Vijay Somaiya by the Joint Controller, Legal Metrology, Madhya Pradesh pursuant to its compounding order dated June 19, 2017, see “*Litigation involving our Company – Litigation against our Company – Actions by statutory or regulatory authorities against our Company*” on page 396.

Other material proceedings against our Promoters

There are no material proceedings initiated against our Promoters, as on the date of this Red Herring Prospectus.

Disciplinary actions including penalties imposed by SEBI or a recognised stock exchanges in the last five Fiscals

As on the date of this Red Herring Prospectus, there are no disciplinary actions including penalties imposed by the Stock Exchanges in the last five Financial Years initiated against our Promoters.

Tax proceedings involving our Promoters

Nature of case	Number of cases	Amount in dispute/demand (in ₹ million, to the extent quantifiable)
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	**Nil**	**Nil**

E. LITIGATION INVOLVING OUR GROUP COMPANIES WHICH MAY HAVE A MATERIAL IMPACT ON OUR COMPANY

As on the date of this Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company or the Offer, as applicable.

F. OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹47.24 million, being 5% of the consolidated trade payables as on September 30, 2023 (“**Material Creditor**”).

As of September 30, 2023, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors, on a consolidated basis, is as follows:

Sr. No.	Type of creditor	No. of creditors	Amount involved (in ₹ million)
1.	Dues to micro, small and medium enterprises*	75	55.84
2.	Dues to Material Creditors	1	48.97
3.	Dues to other creditors	786	839.95
	Total	**862**	**944.76**

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

The details pertaining to outstanding dues to Material Creditors, along with the name and amounts involved for each such Material Creditor, are available on the website of our Company at https://www.domsindia.com/material-creditors/.

G. MATERIAL DEVELOPMENTS

There have been no material developments, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, consents, licenses, registrations and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of all material approvals, consents, licenses, registrations and permits obtained by our Company and our Material Subsidiary, as applicable, for the purposes of undertaking their respective businesses and operations ("**Material Approvals**"). Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. Our Material Subsidiary is required to obtain certain approvals in the ordinary course of business under applicable local laws. Except as disclosed in this section, no further material approvals are required for carrying on the present business operations of our Company and Material Subsidiary. Unless otherwise stated, these material approvals are valid as on the date of this Red Herring Prospectus.*

We have also disclosed below (i) the Material Approvals for which fresh applications/renewal applications have been made; and (ii) the Material Approvals for which fresh applications/renewal applications are yet to be made. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors-30. Regulatory approvals and licenses - We are subject to various laws and extensive government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required in the ordinary course of our business, including environmental, health and safety laws and other regulations, our business financial condition, results of operations and cash flows may be adversely affected" on page 51.

For details in connection with the regulatory and legal framework within which our Company operates, see the section titled "Key Regulations and Policies in India" on page 230. For Offer related approvals, see the section titled "Other Regulatory and Statutory Disclosures- Authority for the Offer" on page 406 and for incorporation details of our Company and our Material Subsidiary, see the sections titled "History and Certain Corporate Matters- Brief history of our Company" and "Our Subsidiaries and our Associate" on pages 237 and 245, respectively. Further, for approvals related to the objects of the Offer, see "Objects of the Offer" on page 101.

A. Material Approvals in relation to our Company

Tax related approvals

(a) Permanent account number issued by the Income Tax Department under the Income Tax Act, 1961

(b) Tax deduction and collection account number issued by the Income Tax Department under the Income Tax Act, 1961.

(c) Goods and services tax registration issued by the Government of India under the Goods and Service Tax Act, 2017.

(d) Certificate of registration issued under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 and Gujarat State Tax on Professions, Trades, Callings and Employments Rules, 1976.

(e) Certificate for enrolment under Maharashtra State Tax Professions, Trades, Callings and Employments Act, 1975.

Labour/employment related approvals

(a) Registration certificate under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, issued by the Employees' Provident Fund Organisation.

(b) Registration certificate under the Employees' State Insurance Act, 1948, issued by the Sub-Regional Office, Employees' State Insurance Corporation.

(c) Registration certificate under the Contract Labour (Regulation & Abolition) Act, 1970, issued by the Assistant Labour Commissioner Office, Gujarat

(d) Registration certificate under applicable shops and establishments legislation for our offices, issued by the ministry or department of labour of relevant State government, wherever applicable

Material Approvals in relation to the business and operations of our Company

(a) Factory license issued by the Directorate Industrial Safety & Health, Gujarat under the Factories Act, 1948;

(b) Consolidated consent and authorisation issued by Gujarat Pollution Control Board issued under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous & Other Wastes (Management and Trans boundary Movement) Rules, 2016;

(c) Consent to establish (NOC) under section 25 of the Water Act and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008;

(d) Certificate of registration as manufacturers and importers issued by the Legal Metrology Officer, Office of the Controller, Legal Metrology, Gujarat under the Legal Metrology (Packaged Commodities) Rules, 2011;

(e) Importer exporter code issued by the Office of Joint Director General of Foreign Trade, Department of Commerce, Ministry of Commerce & Industry under the Foreign Trade (Development and Regulation) Act, 1992;

(f) Licence granted under Section 13 of Bureau of Indian Standards Act, 2016 to use a specified standard mark in relation to goods or articles which conform to a standard;

(g) Certificate for use of boilers under the Boilers Act, 1923 issued by the Assistant Director of Boilers, Gujarat Boilers Inspection Department for our Jammu Manufacturing Facility;

(h) Entrepreneurs' memorandum filed with the District Industries Centre, by a micro, small or medium enterprise, under sub-section (1) of section 8 of The Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 for our Jammu Manufacturing Facility; and

(i) License to establish and operate secondary wood-based industry under rule 4(2) of the J&K Wood Based (Saw Mills, Veneer and Plywood) Industries (Registration & Regulation) Rules, 2012 for our Jammu Manufacturing Facility

Material Approvals for which fresh applications/renewal applications have been made

(a) Renewal application has been made on September 28, 2023, for the consolidated consent and authorisation issued by Gujarat Pollution Control Board issued under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous & Other Wastes (Management and Trans boundary Movement) Rules, 2016 for our manufacturing unit situated at Plot No. 211/A/GIDC, Umbergaon, Gujarat.

Material Approvals for which fresh applications/renewal applications are yet to be made

There are no Material Approvals for which fresh applications/renewal applications are yet to be made by our Company.

B. Material approvals in relation to our Material Subsidiary

Tax related approvals

(a) Permanent account number issued by the Income Tax Department under the Income Tax Act, 1961;

(b) Tax deduction and collection account number issued by the Income Tax Department under the Income Tax Act, 1961; and

(c) Goods and services tax registration issued by the Government of India under the Goods and Service Tax Act, 2017

(d) Certificate of registration issued under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 and Gujarat State Tax on Professions, Trades, Callings and Employments Rules, 1976.

Labour/employment related approvals

(a) Registration certificate under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, issued by the Employees' Provident Fund Organisation; and

(b) Registration certificate under the Employees' State Insurance Act, 1948, issued by the Sub-Regional Office, Employees' State Insurance Corporation

Material Approvals in relation to the business and operations of our Material Subsidiary

(a) Udyam registration certificate for registration as a as a micro, small or medium enterprise issued by Ministry of Micro, Small& Medium Enterprises;

(b) Factory license issued by the Directorate Industrial Safety & Health, Gujarat under the Factories Act, 1948;

(c) Importer exporter code issued by the Office of Joint Director General of Foreign Trade, Department of Commerce, Ministry of Commerce & Industry under the Foreign Trade (Development and Regulation) Act, 1992;

(d) Certificate of registration as manufacturer / packer issued by the Legal Metrology Officer, Office of the Controller, Legal Metrology, Gujarat under the Legal Metrology (Packaged Commodities) Rules, 2011.

Material approvals for which fresh applications/renewal applications have been made

There are no Material Approvals for which fresh applications/renewal applications have been made by our Material Subsidiary.

Material approvals for which fresh applications/renewal applications are yet to be made

There are no Material Approvals for which fresh applications/renewal applications are yet to be made by our Material Subsidiary.

Note: Our Company was converted into a public limited company pursuant to the Shareholders' resolution dated July 14, 2023 and consequently, the name of our Company was changed to our present name i.e., 'DOMS Industries Limited' pursuant to a certificate of incorporation consequent upon conversion to a public limited company dated August 3, 2023 issued by the RoC. Our Company is in the process of completing the filing of the necessary applications with relevant statutory and regulatory authorities for reflecting the change of name of the Company in each of the licenses, as applicable, pursuant to conversion from a private limited company to a public limited company.

C. Intellectual property related approvals

For details of the intellectual property held by our Company and our Material Subsidiary, see "*Our Business – Intellectual Property*" on page 227 and for risks associated with our intellectual property, see "*Risk Factors- 26. Intellectual property rights - Any failure to protect our intellectual property rights could adversely affect our competitive position, business, results of operations and financial condition*." on page 49.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated July 20, 2023 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated July 24, 2023. Further, our Board has taken on record the respective consents of the Selling Shareholders to participate in the Offer for Sale in its meeting held on August 17, 2023. For further details, see the section titled "*The Offer*" on page 70.

Each of the Selling Shareholders have, severally and not jointly, consented to and authorised their participation in the Offer for Sale, in relation to their respective portion of the Offered Shares, as set out below:

Sr. No.	Name of the Selling Shareholder	Aggregate amount of Offer for Sale (in ₹ million)	Date of consent letter	Date of resolution, if applicable
1.	F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A.	Up to [●] Equity Shares aggregating up to ₹8,000.00 million	August 17, 2023 and November 24, 2023	July 21, 2023
2.	Sanjay Mansukhlal Rajani	Up to [●] Equity Shares aggregating up to ₹250.00 million	August 17, 2023	N.A.
3.	Ketan Mansukhlal Rajani	Up to [●] Equity Shares aggregating up to ₹250.00 million	August 17, 2023	N.A.

Our Board had approved the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges pursuant to their resolutions dated August 17, 2023 and August 22, 2023, respectively.

Our Board has approved this Red Herring Prospectus for filing with SEBI and the Stock Exchanges pursuant to its resolution dated December 2, 2023.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated October 11, 2023.

Prohibition by the Securities and Exchange Board of India or other governmental authorities

Our Company, our Subsidiaries, our Promoters, members of the Promoter Group, our Directors, persons in control of our Company and each of the Selling Shareholders have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, in relation to our Company, to the extent applicable, as on the date of this Red Herring Prospectus.

Directors associated with the securities market

None of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is an unlisted company, not complying with the conditions as specified in Regulation 6(1) of the SEBI ICDR Regulations, and is therefore undertaking the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states the following:

"An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy-

five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so"

We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations. Not less than 75% of the Net Offer is proposed to be allocated to QIBs and in the event that we fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws. Further, our Company confirms that the Offer for Sale is in compliance with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

The details of our compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations are as follows:

(i) None of our Company, our Promoters, members of our Promoter Group, our Directors or the Selling Shareholders are debarred from accessing the capital markets by SEBI.

(ii) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(iii) None of our Company, our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower.

(iv) None of our Promoters or Directors has been declared a Fugitive Economic Offender.

(v) There are no convertible securities, including any outstanding warrants, options, or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Red Herring Prospectus.

(vi) Our Company along with Registrar to the Offer has entered into tripartite agreements dated August 14, 2015 and May 16, 2023 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.

(vii) The Equity Shares of our Company held by the Promoters are in dematerialised form.

(viii) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of the filing of this Red Herring Prospectus.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with Regulation 8 of the SEBI ICDR Regulations and have approved their participation in the Offer for Sale in relation to their portion of the Offered Shares.

Other confirmations

None of our foreign Group Companies and foreign entities forming part of the Promoter Group are non-compliant with the RBI, FEMA or FDI norms.

None of our Promoters, members of the Promoter Group, or Group Companies appear in the lists of struck-off companies/limited liability partnerships by the registrar of companies. Further, except as disclosed below, none of our Directors have been or are directors on the board of any company or limited liability partnership whose name appears in the lists of struck-off companies/limited liability partnerships by the registrar of companies:

Sr. No.	Name of the Director	Category	Name of the Company/LLP struck-off by the Registrar of Companies	Notification/form	CIN/LLPIN/PAN	DIN
1.	Mehul Shah#	Independent Director	Brio Media and Entertainment Private Limited	Public Notice: Roc/Mumbai/Sec.248/Drive-iv/STK-7/3965 dated April 7, 2022	U92190MH2008PTC185391	02127656

#Mehul Shah was appointed as Director on August 4, 2008 and he resigned on October 10, 2008 and Brio Media and Entertainment Private Limited was struck-off on March 31, 2022.

Further, except as disclosed below, none of our Directors and Individual Promoters have been or are directors on the board of any company or limited liability partnership whose name appears in the lists of struck-off companies/limited liability partnerships by the registrar of companies on the basis of voluntary action taken by the respective company or LLP:

Sr. No.	Name of the Director / Promoter	Category	Name of the Company/LLP struck-off by the Registrar of Companies	Notification/Form	CIN/LLPIN/PAN	DIN
1.	Santosh Rasiklal Raveshia	Director and Individual Promoter	Doms School Stationery Private Limited	Form FTE filed on June 3, 2014 vide SRN C05111752.	U51900MH2009PTC190710	00147624
2.	Ketan Mansukhlal Rajani	Director and Individual Promoter	Doms School Stationery Private Limited	Form FTE filed on June 3, 2014vide SRN C05111752.	U51900MH2009PTC190710	02490829
3.	Rajiv Ishwarbhai Mistry	Independent Director	Ascent Health Care Private Limited	Form STK-2 filed on July 16, 2022 vide SRN F15536915.	U50101GJ1996PTC030695	01382798
4.	Mehul Shah	Independent Director	Summit India Advisory Private Limited	Form STK-2 filed on July 22, 2021 vide SRN T31934599.	U74900MH2011PTC218354	02127656
			Optimum Business Solutions Limited	Form FES filed on January 21, 2011 vide SRN B03594595.	U72900MH2001GAP133190	

DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, JM FINANCIAL LIMITED, BNP PARIBAS, ICICI SECURITIES LIMITED AND IIFL SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS ARE, SEVERALLY AND NOT JOINTLY, RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES OR THEIR RESPECTIVE PORTION OF THE OFFERED SHARES, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED

AUGUST 22, 2023, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY /BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer have been complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoters, our Directors, and the Book Running Lead Managers

Our Company, our Directors, our Promoters, and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website (i.e., www.domsindia.com) or the respective website of any of our Subsidiaries or of any of our Group Companies, or of any of the members of the Promoter Group and affiliates (as applicable), would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, severally and not jointly (to the extent that the information pertains to itself and its respective portion of the Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Disclaimer from the Selling Shareholders

Each of the Selling Shareholders accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website or the respective websites of our promoters, Promoter Group or any affiliate of our Company would be doing so at his or her own risk. Each of the Selling Shareholders, its directors, affiliates, associates, and officers accept no responsibility for any statements made in this Red Herring Prospectus other than those specifically made or confirmed by such Selling Shareholder in relation to itself as a Selling Shareholder and its portion of the Offered Shares.

The Selling Shareholders shall not be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates and representatives, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates, in their capacity as principal or agents, may engage in transactions with, and perform services for, our Company, our Promoters, members of our Promoter Group, the

Selling Shareholders and their respective directors, and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Promoters, members of our Promoter Group, the Selling Shareholders and their respective directors, and officers, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872), HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, multilateral and bilateral development financial institutions, state industrial development corporations, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, National Investment Fund, provident funds (subject to applicable laws) and pension funds fulfilling the minimum corpus requirements under the SEBI ICDR Regulations and registered with the PFRDA, insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, insurance funds set up and managed by the army or navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEMA NDI Rules) and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

The Draft Red Herring Prospectus did not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Neither the delivery of this Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders since the date of this Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

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

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE Limited

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, *vide* its in-principle approval dated October 11, 2023, is as follows:

"*BSE Limited ("the Exchange") has given vide its letter dated October 11, 2023, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company 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 for any other reason whatsoever."

Disclaimer Clause of the National Stock Exchange of India Limited

As required, a copy of the Draft Red Herring Prospectus will be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, *vide* its in-principle approval dated October 11, 2023, is as follows:

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2675 dated October 11, 2023, 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."

Listing

The Equity Shares issued pursuant to this Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining their respective permissions for the listing and trading of the Equity Shares. BSE Limited will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or within such other period as may be prescribed. Each Selling Shareholder confirms that they shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed. If our Company does not Allot the Equity Shares within three Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of their portion of the Offered Shares.

Consents

Consents in writing of (a) each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal counsels appointed for the Offer, Bankers to our Company, the Book Running Lead Managers, Registrar to the Offer, Statutory Auditor, Independent chartered accountant, Project Consultant, our lenders and Technopak, in their respective capacities have been obtained and such consents have not been withdrawn until the date of this Red Herring Prospectus; (b) the Monitoring Agency, Syndicate Members, Underwriters, Public Offer Account Bank, Sponsor Banks, Escrow Collection Bank and Refund Bank to act in their respective capacities, have been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act, and such consents shall not be withdrawn up to the time of filing of this Red Herring Prospectus with the RoC.

Expert to the Offer

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

Our Company has received the written consent dated December 2, 2023 from B S R & Co. LLP, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated November 24, 2023 on our Restated Consolidated Financial Information; and (ii) their report dated December 2, 2023 on the statement of possible special tax benefits available to our Company, our Shareholders and our Material Subsidiary and included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated August 22, 2023, from M.I. Shah & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an ‘expert’ as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated August 22, 2023, from Prabhakar Prabhu P.K., Chartered Engineer, as a chartered engineer to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in his capacity as an Independent Chartered Engineer, in relation to the certificate dated August 22, 2023, certifying, *inter alia*, the details of the installed and production capacity and capacity utilisation of our Manufacturing Facilities. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated August 22, 2023, from Oriens Advisors LLP, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Red

Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 in respect of the Project Report. Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – issue of subsidiaries/ listed promoters

As on date of this Red Herring Prospectus, our Company does not have any listed subsidiaries. Further, our Corporate Promoter has not made any public issue or rights issue during the five years immediately preceding the date of this Red Herring Prospectus.

Brokerage and selling commission paid on previous issues of the Equity Shares

Since this is the initial public offering of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Red Herring Prospectus.

Capital issue during the previous three years by our Company and listed subsidiaries, group companies or associates

Other than as disclosed in the section titled “*Capital Structure*” on page 87, our Company has not undertaken a capital issue in the last three years preceding the date of this Red Herring Prospectus.

None of our listed Group Companies have undertaken a capital issue in the last three years preceding the date of this Red Herring Prospectus.

As on the date of this Red Herring Prospectus, none of the securities of our Subsidiaries and Associate are listed on any stock exchanges.

Price information of past issues handled by the Book Running Lead Managers

Track record of past issues handled by the Book Running Lead Managers

A. JM Financial Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by JM Financial Limited:

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Fedbank Financial Services Limited[10]	10,922.64	140.00	November 30, 2023	138.00	Not Applicable	Not Applicable	Not Applicable
2.	Tata Technologies Limited	30,425.14	500.00	November 30, 2023	1,199.95	Not Applicable	Not Applicable	Not Applicable
3.	ASK Automotive Limited*	8,339.13	282.00	November 15, 2023	303.30	Not Applicable	Not Applicable	Not Applicable
4.	Honasa Consumer Limited*[9]	17,014.40	324.00	November 7, 2023	330.00	Not Applicable	Not Applicable	Not Applicable
5.	Cello World Limited*[8]	19,000.00	648.00	November 6, 2023	829.00	Not Applicable	Not Applicable	Not Applicable
6.	JSW Infrastructure Limited#	28,000.00	119.00	October 3, 2023	143.00	41.34% [-2.93%]	Not Applicable	Not Applicable
7.	Zaggle Prepaid Ocean Services Limited*	5,633.77	164.00	September 22, 2023	164.00	30.95% [-0.67%]	Not Applicable	Not Applicable
8.	Samhi Hotels Limited#	13,701.00	126.00	September 22, 2023	130.55	15.16% [-0.93%]	Not Applicable	Not Applicable
9.	R R Kabel Limited#[7]	19,640.10	1,035.00	September 20, 2023	1,179.00	34.45% [-1.75%]	Not Applicable	Not Applicable
10.	Jupiter Life Line Hospitals Limited*	8,690.76	735.00	September 18, 2023	973.00	42.27% [-1.60%]	Not Applicable	Not Applicable

Source: www.nseindia.com and www.bseindia.com
 # BSE as Designated Stock Exchange
** NSE as Designated Stock Exchange*
Notes:
1. *Opening price information as disclosed on the website of the Designated Stock Exchange.*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of Rs. 98 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
8. *A discount of Rs. 61 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *A discount of Rs. 30 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
10. *A discount of Rs. 10 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
11. *Not Applicable – Period not completed*

2. Summary statement of price information of past issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-2024	14	1,90,409.39	-	-	1	2	4	2	-	-	-	-	-	1
2022-2023	11	3,16,770.53	-	1	3	-	5	2	-	2	2	2	3	2
2021-2022	17	2,89,814.06	-	1	2	5	5	4	1	2	3	4	3	4

B. BNP Paribas

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BNP Paribas:

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Fedbank Financial Services Limited(3)	10,922.64	140.00	November 30, 2023	138.00	Not Applicable	Not Applicable	Not Applicable
2.	TVS Supply Chain Solutions Limited^^	8,800.00	197	August 23, 2023	207.50	8.71% [1.53%]	6.57% [1.29%]	Not Applicable
3.	Adani Wilmar Limited^	36,000.00	230(1)	February 08, 2022	227.00	+48.00%, [-5.34%]	+180.96%, [-4.95%]	+193.26%, [+0.76%]
4.	Anand Rathi Wealth Limited^^	6,593.75	550(2)	December 14, 2021	602.05	+12.38%, [+5.22%]	+4.46%, [-4.42%]	+19.55%, [-6.56%]

^ NSE as designated stock exchange
^^ BSE as designated stock exchange
(1) Discount of ₹21 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹230.00 per equity share.
(2) Discount of ₹25 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹550.00 per equity share.
(3) A discount of Rs. 10 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

2. Summary statement of price information of past issues handled by BNP Paribas:

Financial Year	Total no. of IPOs	Total funds raised (₹ millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	2	19,722.64	-	-	-	-	-	1	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	2	42,593.75	-	-	-	-	1	1	-	-	-	1	-	1

**This data covers issues up to YTD*
Notes:
1. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.
2. Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day

C. ICICI Securities Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited:

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Zaggle Prepaid Ocean Services Limited^^	5,633.77	164.00	22-Sep-23	164.00	+30.95%, [-0.67%]	NA*	NA*
2	Signatureglobal (India) Limited^^	7,300.00	385.00	27-Sep-23	444.00	+35.79%, [-4.36%]	NA*	NA*
3	JSW Infrastructure Limited^	28,000.00	119.00	03-Oct-23	143.00	+41.34% [-2.93%]	NA*	NA*
4	Blue Jet Healthcare Limited^^	8,402.67	346.00	01-Nov-23	380.00	+4.08% [+6.02%]	NA*	NA*
5	Cello World Limited^^	19,000.00	648.00(1)	06-Nov-23	829.00	NA*	NA*	NA*
6	ESAF Small Finance Bank Limited^	4,630.00	60.00(2)	10-Nov-23	71.90	NA*	NA*	NA*
7	Protean eGov Technologies Limited^	4,892.02	792.00(3)	13-Nov-23	792.00	NA*	NA*	NA*
8	ASK Automotive Limited^^	8,339.13	282.00	15-Nov-23	303.30	NA*	NA*	NA*
9	Gandhar Oil Refinery (India) Limited^^	5,006.92	169.00	30-Nov-23	298.00	NA*	NA*	NA*
10	Fedbank Financial Services Limited^^	10,922.64	140.00 (4)	30-Nov-23	138.00	NA*	NA*	NA*

**Data not available*
^BSE as designated stock exchange
^^NSE as designated stock exchange
(1) Discount of Rs. 61 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 648.00 per equity share.
(2) Discount of Rs. 5 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 60.00 per equity share.
(3) Discount of Rs. 75 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 792.00 per equity share
(4) Discount of Rs. 10 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 140.00 per equity share.

2. Summary statement of price information of past issues handled by ICICI Securities Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24*	13	1,11,731.30	-	-	-	2	4	1	-	-	-	-	-	-
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2
2021-22	26	7,43,520.19	-	3	6	6	4	7	3	4	5	5	4	5

** This data covers issues up to YTD*

Notes:

1. *Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective issuer company.*
2. *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day*

D. IIFL Securities Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by IIFL Securities Limited:

Sr. No.	Issue Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	IdeaForge Technology Limited	5,672.45	672.00(1)	NSE	July 7, 2023	1,300.00	+64.59%,[+0.96%]	+27.93%,[+0.54%]	N.A.
2	Senco Gold Limited	4,050.00	317.00	NSE	July 14, 2023	430.00	+25.28%,[-0.70%]	+105.32%,[+1.26%]	N.A.
3	Netweb Technologies India Limited	6,310.00	500.00(2)	BSE	July 27, 2023	942.50	+73.20%,[-2.08%]	+67.87%,[-2.56%]	N.A.
4	Yatharth Hospital & Trauma Care Services Limited	6,865.51	300.00	BSE	August 7, 2023	304.00	+23.30%,[-0.26%]	+20.58%,[-2.41%]	N.A.
5	Zaggle Prepaid Ocean Services	5,633.77	164.00	NSE	September 22, 2023	164.00	+30.95%,[-0.67%]	N.A.	N.A.

	Limited								
6	Yatra Online Limited	7,750.00	142.00	BSE	September 28, 2023	130.00	-11.06%,[-2.63%]	N.A.	N.A.
7	Updater Services Limited	6,400.00	300.00	BSE	October 4, 2023	299.90	-13.72%,[-1.76%]	N.A.	N.A.
8	Cello World Limited	19,000.00	648.00(3)	NSE	November 6, 2023	829.00	N.A.	N.A.	N.A.
9	Protean eGov Technologies Limited	4,892.02	792.00(4)	BSE	November 13, 2023	792.00	N.A.	N.A.	N.A.
10	ASK Automotive Limited	8,339.13	282.00	NSE	November 15, 2023	303.30	N.A.	N.A.	N.A.

Source: www.nseindia.com; www.bseindia.com, as applicable

(1) A discount of Rs. 32 per equity share was offered to eligible employees bidding in the employee reservation portion.
(2) A discount of Rs. 25 per equity share was offered to eligible employees bidding in the employee reservation portion.
(3) A discount of Rs. 61 per equity share was offered to eligible employees bidding in the employee reservation portion.
(4) A discount of Rs. 75 per equity share was offered to eligible employees bidding in the employee reservation portion.

Note: Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.

2. Summary statement of price information of past issues handled by IIFL Securities Limited:

Financial Year	Total No. of IPO's	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			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%**
2021-22	17	3,58,549.95	-	-	5	-	4	8	-	6	4	3	1	3
2022-23	12	106,650.92	-	-	4	-	4	4	-	-	3	1	4	4
2023-24	12	1,26,826.43	-	-	3	2	3	1	-	-	-	1	-	1

Source: www.nseindia.com; www.bseindia.com, as applicable
Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.
NA means Not Applicable.

Website for track record of the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012, issued by SEBI, see the websites of the BRLMs, as set forth in the table below:

Name	Website
JM Financial Limited	www.jmfl.com
BNP Paribas	www.bnpparibas.co.in
ICICI Securities Limited	www.icicisecurities.com
IIFL Securities Limited	www.iiflcap.com

Stock market data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

SEBI, by way of its March 2021 Circular as amended by its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Subsequently, by way of its June 2021 Circular, SEBI modified the process timelines and extended the implementation timelines for certain measures introduced by the March 2021 Circular. Per the March 2021 Circular read with the June 2021 Circular, for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Banks to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock

Scenario	Compensation amount	Compensation period
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares pursuant to the Offer, or such longer period as may be prescribed under applicable laws to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

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

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID (where applicable), PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank(s) for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Our Company, each of the Selling Shareholders, the Book Running Lead Managers, and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of investor grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the grievances of our security holders. The Selling Shareholders have authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale. For details, see "*Our Management - Committees of our Board- Stakeholders' Relationship Committee"* on page 265.

Our Company has obtained authentication on the SEBI SCORES platform and shall comply with the SEBI circulars in relation to redressal of investor grievances through SCORES.

Our Company has also appointed Mitesh Padia, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see "*General Information – Company Secretary and Compliance Officer*" on page 78.

Our Company has not received any investor complaint during the three years preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Red Herring Prospectus.

Exemption from complying with any provisions of securities laws granted by the Securities and Exchange Board of India

Our Company has not sought any exemption from complying with any provisions of securities laws from SEBI.

Other confirmations

No person connected with the Offer, including but not limited to our Company, the BRLMs, the Syndicate Members, our Promoters, our Directors or the members of our Promoter Group shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

SECTION VIII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, the SCRA, SCRR, the SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authorities while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Other than the listing fees and audit fees of the statutory auditors and expenses for any corporate advertisements which shall be solely borne by the Company; all costs, fees and expenses with respect to the Offer shall be shared by the Company and the Selling Shareholders, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale, in accordance with applicable law.

Provided that all Offer-related expenses shall initially be borne by our Company and upon the successful completion of the Offer, any payments by our Company in relation to the Offer expenses on behalf of any of the Selling Shareholders shall be reimbursed by such Selling Shareholder to the Company inclusive of taxes.

For further details, see "*Objects of the Offer – Offer Related Expenses*" on page 107.

Ranking of the Equity Shares

The Equity Shares being Allotted in the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see the section titled "*Description of Equity Shares and Terms of the Articles of Association*" on page 457.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to Shareholders of our Company as per the provisions of the Companies Act, Memorandum of Association and Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see the section titled "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 282 and 457, respectively.

Face Value, Price Band and Offer Price

The face value of each Equity Share is ₹10. The Floor Price is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and shall be published at least two Working Days prior to the Bid/Offer Opening Date, in all editions of The Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Vapi and Selvase edition of Damanganga (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located), and shall be made available to the Stock Exchanges for the purposes of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Form available at the respective websites of the Stock Exchanges. The Offer Price and discount (if any) shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point in time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- 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 or e-voting in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right to freely transfer their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see the section titled "*Description of Equity Shares and Terms of the Articles of Association*" on page 457.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. In accordance with the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. Hence, the Equity Shares offered through this Red Herring Prospectus can be applied for in the dematerialised form only.

In this context, our Company has entered into the following agreements:

- Tripartite agreement dated August 14, 2015 among our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated May 16, 2023 among our Company, CDSL and the Registrar to the Offer

Market lot and trading lot

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares to QIBs and RIBs. For NIBs allotment shall not be less than the minimum non-Institutional application size. For the method of Basis of Allotment, see the section titled "*Offer Procedure*" on page 433.

Joint holders

Subject to the provisions of our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Period of operation of subscription list

See "– *Bid/Offer Programme*" on page 424.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act 2013, be entitled to the same benefits to which he or she will 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 the Equity Share(s) in the event of the holder's death during minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar of our Company. Further, a nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are advised to inform their respective Collecting Depository Participant.

Bid/Offer Programme

BID/ OFFER OPENS ON	**Wednesday, December 13, 2023**[(1)]
BID/ OFFER CLOSES ON	**Friday, December 15, 2023**[(2)]

[(1)] *Our Company shall, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

[(2)] *UPI mandate end time and date shall be at 5:00 p.m. on Bid/ Offer Closing Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	Friday, December 15, 2023
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, December 18, 2023

Event	Indicative Date
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Tuesday, December 19, 2023
Credit of Equity Shares to demat accounts of Allottees	On or about Tuesday, December 19, 2023
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, December 20, 2023

* *In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the agreements to be entered into between our Company with the relevant intermediaries, to the extent applicable.*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders severally and not jointly confirm that they shall extend such reasonable support and co-operation as may be required by our Company and the BRLMs under Applicable Law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online	Only between 10.00 a.m. and up to 4.00 p.m. IST

channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹500,000	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Modification of Bids by QIBs and Non-Institutional Bidders categories and modification/cancellation of Bids by Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion #	Only between 10.00 a.m. and up to 5.00 p.m. IST

**UPI mandate end time and date shall be at 5.00 pm on Bid/Offer Closing Date.*
 # QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and eligible Employees Bidding in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders and eligible Employees Bidding in the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / withdrawn / deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price, subject to minimum 105% of the Floor Price.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of price band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Employee Discount

Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion, and, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid. In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate. In case of discrepancy in the data entered in the electronic book vis à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under this Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI master circular SEBI/HO/CFD/PoD-2/P/CIR/2023/ 00094 dated June 21, 2023. If there is a delay beyond four days, our Company and every Director of our Company who is an officer in default, to the extent applicable, shall pay interest as prescribed under applicable law.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for valid Bids will be made in the first instance towards subscription for 90% of the Fresh Issue. Subject to any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be first made towards the Fresh Issue and subsequently, in respect of the Offered Shares pursuant to the Offer for Sale on a pro-rata basis in a manner proportionate to the respective portion of the Offered Shares of each Selling Shareholder.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and each of the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

Each of the Selling Shareholders shall reimburse, in proportion to their respective Offered Shares, any expenses and interest incurred by our Company on behalf of them for any delays in making refunds as required under the Companies Act and any other applicable law, provided that each of the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the respective Selling Shareholders and any expenses and interest shall be paid to the extent of their respective portion of the Offered Shares.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the Promoter's Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in the section titled "*Capital Structure*" on page 87, and except as provided in the Articles of Association as detailed in the section titled "*Description of Equity Shares and Terms of the Articles of Association*" on page 457, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting.

Option to receive Equity Shares in Dematerialized form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹12,000.00 million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹3,500.00 million by our Company and an Offer of Sale of up to [●] Equity Shares aggregating up to ₹8,500.00 million by the Selling Shareholders.

The Offer comprises a Net Offer of up to [●] Equity Shares aggregating up to ₹[●] million and Employee Reservation Portion of up to [●]* Equity Shares aggregating up to ₹50.00 million. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion, in accordance with the SEBI ICDR Regulations. The Offer and the Net Offer shall constitute [●] % and [●] %, respectively of the post-Offer paid-up Equity Share capital of our Company. The face value of each Equity Share is ₹10 each.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 6(2) and 31 of the SEBI ICDR Regulations.

Particulars	Eligible Employees#	QIBs (1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment / allocation*(2)	Up to [●] Equity Shares	Not less than [●] Equity shares	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RIBs	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment / allocation	Up to [●] % of the post-Offer Equity Share capital of our Company	Not less than 75% of the Net Offer shall be available for allocation to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the other QIBs	Not more than 15% of the Net Offer, less allocation to QIB Bidders and RIBs shall be available for allocation	Not more than 10% of the Net Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment if respective category is oversubscribed*	Proportionate#; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹0.20 million (net of Employee Discount). In the event of undersubscription in the Employee Reservation Portion,	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual	The Allotment to each Non-Institutional Bidder shall not be less than ₹0.20 million, subject to the availability of Equity Shares in Non-Institutional Bidders' category, and the remaining Equity Shares, if any, shall be Allotted on a proportionate basis.	The allotment to each RIBs shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For details, see the section titled *"Offer Procedure"* on page 433

Particulars	Eligible Employees#	QIBs (1)	Non-Institutional Bidders	Retail Individual Bidders
	the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees bidding in the Employee Reservation Portion for a value exceeding ₹0.20 million (net of Employee Discount), subject to total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount)	Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Minimum Bid	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares in multiples of [●] Equity Shares that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹0.50 million, less Employee Discount ##, if any	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment Lot	[●] Equity Shares and in multiples of [●] Equity Share thereafter for QIBs and RIBs. For NIBs allotment shall not be less than the minimum non-institutional application size.			
Trading Lot	One Equity Share			
Who can apply(3)	Eligible Employees (such that the Bid Amount does not exceed ₹0.5 million, net of Employee Discount)	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250.00 million, pension funds with minimum corpus of ₹250.00 million and	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies, trusts, corporate bodies and family offices (including FPIs which are individuals, corporate bodies and family offices)	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees#	QIBs (1)	Non-Institutional Bidders	Retail Individual Bidders
		registered with the PFRDA, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.		
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids (4) **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Banks through the UPI Mechanism, which is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bidding^	Through ASBA process only (including the UPI Mechanism)	ASBA process only (excluding the UPI Mechanism) (except in case of Anchor Investors)	ASBA process only (including the UPI Mechanism for Bids up to ₹0.50 million)	ASBA process only (including the UPI Mechanism)

**Assuming full subscription in the Offer*

#Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹0.50 million (net of Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹0.20 million (net of Employee Discount). In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Furthermore, an Eligible Employee Bidding in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.
Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date.
^ SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) *Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see the section titled "Offer Procedure" on page 433.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Offer shall be available for allocation to NIBs and not more than 10% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.*

(3) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription,*

if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see the section titled "Terms of the Offer" on page 422.

(4) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

(5) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by foreign portfolio investor(s)*" on page 439 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company**,** the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange, on proportionate basis as per the SEBI ICDR Regulations.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes, and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of 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 through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Bidders through Designated Intermediaries (other than SCSBs), the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds was discontinued and RIBs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) could only use UPI Mechanism with the timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 ("**UPI Phase II**"). The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be made under UPI Phase III of the UPI Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its March 2021 Circular read with June 2021 Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI Circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to June 2021 Circular, and the provisions of this circular, as amended, are deemed to form part of this Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Subsequently, pursuant to the May 30, 2022 Circular, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

Further, our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus. The BRLMs shall be the nodal entity for any issues arising out of public issuance process. Further, our Company, the Selling Shareholders and the BRLMs are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the *aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of this Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.*

Book Building Process

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders, out of which i) one third shall be reserved for Bidders with Bids exceeding ₹0.2 million up to ₹1.00 million; and ii) two-thirds shall be reserved for Bidders with Bids exceeding ₹1.00 million, and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Furthermore, up to [●] Equity Shares, aggregating up to ₹50.00 million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any. The Employee Reservation Portion shall not exceed 5% of our post -Offer paid-up equity share capital subject to valid Bids being received at or above the Offer Price, net of Employee Discount.

Under-subscription, if any, in any category including Employee Reservation Portion, except the QIB Portion, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the Net QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million (net of Employee Discount) subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Form which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism and Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Bidders must ensure that their PAN is linked with Aadhaar and they are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

Phased implementation of United Payments Interface as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through intermediaries with the objective to reduce the time duration from public issue closure to listing from three 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 and implemented the UPI payment mechanism in three phases in the following manner:

(a) **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 until June 30, 2019. Under this phase, an RIB also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

(b) **Phase II:** This phase was applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI *vide* its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Under this phase, submission of the physical ASBA Form by an RIB through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II till further notice.

(c) **Phase III:** This phase has become applicable on a voluntary basis for all public issues opening on or after September 1, 2023 and on a mandatory basis for all public issues opening on or after December 1, 2023, as per the SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time.

Pursuant to the March 2021 Circular, issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (the "**UPI Streamlining Circular**"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all Bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹0.50 million, shall use the UPI Mechanism. Bidders Bidding under the Non-Institutional Portion Bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The Offer will be made under UPI Phase III of the UPI Circular.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the BRLMs with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts in the bank accounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 issued by SEBI using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office and at our Corporate Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer, which shall include the UPI Mechanism in the case of UPI Bidders. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), 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 UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. Retail Individual Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Form) and ASBA Forms not bearing such specified stamp maybe liable for rejection. UPI Bidders shall submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, CRTAs or CDPs. UPI Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. For all the initial public offerings opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor’s bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder. The circular is applicable for all categories of Bidders viz. Retail Individual Bidders, QIBs and Non-Institutional Bidders and also for all modes through which the applications are processed. Non-Institutional Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

The prescribed colours of the Bid cum Application Form for various categories are as follows:

Category	Colour of Bid cum Application Form(1)
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis(2)	White

Category	Colour of Bid cum Application Form[(1)]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions[(2)]	Blue
Anchor Investors[(3)]	White
Eligible Employees Bidding in the Employee Reservation Portion	Pink

(1) Excluding electronic Bid cum Application Form

(2) Electronic Bid cum Application Form will also be available for download on the website of NSE (www.nseindia.com) and the BSE (www.bseindia.com)

(3) Bid cum Application Form for Anchor Investors will be made available at the office of the BRLMs

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than UPI Bidders), Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form (except ASBA Forms submitted by UPI Bidders) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a UPI Bidder who is not Bidding using the UPI Mechanism.

Stock Exchanges shall validate the electronic bids with the records of the depository for DP ID/Client ID and PAN, on a real time basis through API integration 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 (but not both), bank code and location code in the Bid details already uploaded. For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), 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 Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The Sponsor Bank(s) 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(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to Bidders, SCSBs shall send SMS alerts as specified by SEBI vide its March 2021 Circular, June 2021 Circular and circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of Bids

The Designated Intermediaries may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for offline electronic registration of Bids, subject to the condition that they may subsequently upload the offline data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by our Promoters, Promoter Group, Book Running Lead Managers, associates and affiliates of the Book Running Lead Managers and the Syndicate Members and the persons related to Promoters, Promoter Group, Book Running Lead Managers and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer in the QIB Portion where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of Bidders, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for (a) Mutual Funds or AIFs sponsored by entities which are associates of the BRLMs; or (b) FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs; or (c) insurance companies promoted by entities which are associates of the BRLMs; or (d) pension funds sponsored by entities which are associate of the BRLMs, no BRLM or its respective associates can apply in the Offer under the Anchor Investor Portion. For details, see "- *Bids by Anchor Investors*" below. An Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

Further, our Promoters and members of our Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to our Promoters and our Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholder's agreement or voting agreement entered into with any of our Promoters or members of our Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to our Promoters or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made, subject to applicable law.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Non-Resident Indians

Eligible NRIs may obtain copies of ASBA Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for

Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRE Accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and Eligible NRIs Bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRO Accounts for the full Bid amount, at the time of submission of the ASBA Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRI(s) in the Offer shall be subjected to the FEMA Rules. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to the special resolution dated July 24, 2023, passed by our Shareholders, the aggregate ceiling of 10% was raised to 24%.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE / NRO Accounts.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For details of restrictions on investment by NRIs, see the section titled "*Restrictions on Foreign Ownership of Indian Securities*" on page 455.

Bids by Hindu undivided family

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by foreign portfolio investor(s)

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi-investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Form that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs, FVCIs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by Securities and Exchange Board of India registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, each of the Selling Shareholders and the Book running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund I and II or foreign venture capital investor.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by Self Certified Syndicate Banks

SCSBs participating in the Offer are required to comply with the terms of the circular (CIR/CFD/DIL/12/2012) dated September 13, 2012, and circular (CIR/CFD/DIL/1/2013) dated January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**"), as amended, 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 or health insurer;

(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 health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

(d) The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.

Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial information on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time. The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250.00 million which are registered with the PFRDA, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and each of the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

(a) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100.00 million.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date and will be completed on the same day.

(e) Our Company, in consultation with the BRLMs, may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100.00 million; minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100.00 million but up to ₹2,500.00 million, subject to a minimum Allotment of ₹50.00 million per Anchor Investor; and in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Offer Price.

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

(j) Neither the BRLMs nor any associate of the BRLMs (except (a) Mutual Funds or AIFs sponsored by entities which are associates of the BRLMs; or (b) FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs; or (c) insurance companies promoted by entities which are associates of the BRLMs; or (d) pension funds sponsored by entities which are associate of the BRLMs), nor any "person related to Promoter or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹0.50 million (net of Employee Discount) on a net basis. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Allotment in the Employee Reservation Portion will be as detailed in the section titled "*Offer Structure*" on page 429.

However, Allotments to Eligible Employees in excess of ₹0.20 million (net of Employee Discount) shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (which will be less than Employee Discount). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

1. Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink form).

2. Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.

3. In case of joint bids, the sole/ First Bidder shall be the Eligible Employee.

4. Bids by Eligible Employees may be made at Cut-off Price.

5. Only those Bids, which are received at or above the Offer Price, net of Employee Discount, would be considered for allocation under this portion.

6. The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹0.50 million (net of Employee Discount) on a net basis.

7. If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

8. Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

9. As per the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, Eligible Employees bidding in the Employee Reservation Portion can also Bid through the UPI mechanism.

10. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million (net of Employee Discount).

If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see the section titled "*Offer Procedure*" on page 433.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds (duly registered with the PFRDA), subject to applicable laws, with minimum corpus of ₹250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund along with the proof of registration of the pension fund with the PFRDA must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason therefor.

For more information, see the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulations and as specified in this Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of The Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Vapi and Selvase edition of Damanganga (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date, if any. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement not later than one Working

Day after the commencement of trading, disclosing the date of commencement of trading in all editions of The Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Vapi and Selvase edition of Damanganga (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located).

Signing of Underwriting Agreement and filing of Prospectus with the Registrar of Companies

Our Company and each of the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form (with a maximum length of 45 characters) and such ASBA account belongs to you and no one else. Further, UPI Bidders must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;

4. UPI Bidders shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. UPI Bidders Bidding through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that your PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders, may submit their ASBA Forms with Syndicate Members, Registered Brokers, CRTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

10. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;

11. If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except UPI Bidders) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. UPI Bidders should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;
12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
14. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
15. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
16. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of circular (MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of circular (MRD/DoP/Cir-09/06) dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for Bidders residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., relevant documents, including a copy of the power of attorney, are submitted;
22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. UPI Bidders should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment, in a timely manner;
24. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. However, Bids received from FPIs bearing the same PAN shall not be

treated as multiple Bids in the event such FPIs utilize the MIM Structure, and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

25. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Form. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

26. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

27. The ASBA Bidders shall ensure that Bids above ₹0.50 million are uploaded only by the SCSBs;

28. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

29. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the ASBA Form in his/her ASBA Account;

30. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the ASBA Form;

31. UPI Bidders, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in their account and subsequent debit of funds in case of allotment in a timely manner;

32. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Issue Closing Date

33. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹0.20 million would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the Non-Institutional Portion for allocation in the Issue;

34. Ensure that Anchor Investors submit their Bid cum Application Form only to the BRLMs; and

35. Ensure that the Bid cum Application Form are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and this Red Herring Prospectus. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned on the website of the SEBI, is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

5. Do not send Bid cum Application Form by post; instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;

7. If you are a UPI Bidder and are using the UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

8. Do not submit the Bid cum Application Form to any non-SCSB bank or to our Company or at a location other than the Bidding Centres or to any unauthorised Designated Intermediary;

9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;

12. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;

13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;

14. Do not Bid for Equity Shares in excess in excess of what is specified by respective Stock Exchanges for each category;

15. Do not Bid for a Bid Amount exceeding ₹0.20 million for Bids by Retail Individual Bidders and ₹0.50 million for Bids by Eligible Employees Bidding in the Employee Reservation Portion;

16. Do not submit the general index register number instead of the PAN;

17. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

18. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI-linked bank account where funds for making the Bid are available;

19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids until the Bid/Offer Closing Date;

20. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Form or on Bid cum Application Form in a colour prescribed for another category of Bidder;

21. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders;

22. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

23. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

24. Do not submit more than one Bid cum Application Form per ASBA Account;

25. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

26. Do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI, if you are an UPI Bidder;

27. Do not submit an ASBA Form with third party linked UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders);

28. In case of ASBA Bidders (other than 3-in-1 Bids), Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million;

29. Do not Bid if you are an OCB;

30. Do not submit ASBA Forms to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in)

31. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

For helpline details of the Book Running Lead Managers pursuant to the March 2021 Circular, read with the June 2021 Circular and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, see the section titled "*General Information*" on page 77.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);

6. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

8. Bids submitted without the signature of the First Bidder or sole Bidder;

9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIBs with Bid Amount of a value of more than ₹0.20 million;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see the section titled "*General Information*" on page 77.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the March 2021 Circular, as amended by SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with June 2021 Circular read with March 2021 Circular.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by the Securities and Exchange Board of India from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the net offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Bidders, Non-Institutional Bidders, and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidder shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidder category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The Allotment to each Non-Institutional Bidders shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, which shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹1.00 million, provided that under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "**DOMS Industries Limited – Anchor R A/c**"

(ii) In case of non-resident Anchor Investors: "**DOMS Industries Limited – Anchor NR A/c**"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

(i) Tripartite agreement dated August 14, 2015 among our Company, NSDL and Registrar to the Offer
(ii) Tripartite agreement dated May 16, 2023 among our Company, CDSL and Registrar to the Offer

Undertakings by our Company

Our Company undertakes the following:

(i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days from the Bid/Offer Closing Date or such other time as may be prescribed;

(iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that if our Company (in consultation with the BRLMs) does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(vii) that if our Company, in consultation with the BRLMs, withdraws the Offer at any stage, including after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or any of the Selling Shareholders subsequently decides to proceed with the Offer thereafter;

(viii) that adequate arrangements shall be made to collect all Bid cum Application Form submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

(ix) no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc;

(x) Promoters' contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders, severally and not jointly, in respect of itself as a selling shareholder and its portion of the Equity Shares offered by it in the Offer for Sale undertake the following in respect of themself as the Selling Shareholders, and the Offered Shares:

(i) that their respective portion of the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

(ii) that they are the legal and beneficial owner of, and have clear and marketable title to the Offered Shares;

(iii) that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(iv) that the Equity Shares being sold by them pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;

(v) that they shall provide all reasonable co-operation as reasonably requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of their respective portion of the Offered Shares;

(vi) that they shall deposit their Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;

(vii) that they shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and

(viii) that they will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs under Applicable Law in redressal of such investor grievances that pertain to the Offered Shares

Utilisation of Offer proceeds

Our Board certifies that:

(i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

(ii) details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

(iii) details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

Our Company declares that all monies received out of the Offer 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.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: "*Any person who – (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*." The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**"), issued, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Foreign Exchange Laws

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes.

Pursuant to the FDI Policy, FDI of up to 100% is permitted under the automatic route in our Company.

In accordance with the FEMA Non-debt Instruments Rules, participation by non-residents in the Offer is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Instruments Rules, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit); and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEMA Non-debt Instruments Rules. Further are not permitted to participate in the Offer. As per the existing policy of the Government, OCBs cannot participate in this Offer. For more information on bids by FPIs and Eligible NRIs, see the section titled "*Offer Procedure*" on page 433. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible Non-Resident Indians*" and "*Offer Procedure – Bids by foreign portfolio investor(s)*" on pages 438 and 439, respectively.

In terms of the FEMA Non-debt Instruments Rules and the FDI Policy, a person resident outside India may make investments into India, subject to certain terms and conditions, and further provided that an entity of a country, which shares land border with India or where the beneficial owner of an investment into India, who is situated in or is a citizen of any such country, shall invest only with the approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the above restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

I. APPLICABILITY OF TABLE F

Subject as hereinafter provided, the regulations contained in Table 'F' in Schedule I of the Companies Act, 2013 shall apply to the Company in so far as they are not inconsistent with any of the provisions contained in these Articles and except in so far is impliedly or expressly modified by the Articles mentioned, as altered or amended from time to time.

The regulations for the management of the Company and for the observance of the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by a special resolution as prescribed or permitted by the Companies Act, 2013, as amended, be such as are contained in these Articles.

The Articles of Association have been approved by the Board and the Shareholders pursuant to the resolutions dated August 17, 2023 and August 17, 2023, respectively.

I. DEFINITIONS AND INTERPRETATIONS

1. Capitalized terms wherever defined in these Articles (as defined below), shall unless the context otherwise require, have the meaning so assigned to them throughout these Articles. For purposes of these Articles, the following words and expressions, when capitalised, shall have the following meanings assigned to them.

(a) "**Act**" means the Companies Act, 2013, the rules and regulations made thereunder and any amendments thereto and includes any statutory modification or re-enactment thereof for the time being in force.

(b) "**Articles**" means the articles of association of the Company as amended from time to time.

(c) "**Board of Directors**" or "**Board**" means the board of directors of the Company, as constituted from time to time.

(d) "**Company**" shall mean DOMS Industries Limited.

(e) "**Company Secretary**" means a company secretary as defined in clause (c) of Section 2 of the Company Secretaries Act, 1980.

(f) "**Committee**" means any committee of the Board.

(g) "**Directors**" means the directors on the Board and "Director" has the corresponding meaning.

(h) "**Dividend**" shall include interim dividends and final dividends paid to the Shareholders.

(i) "**Equity Share Capital**" means the equity share capital of the Company within the meaning of Section 43 of the Companies Act, 2013.

(j) "**Equity Shares**" means the equity shares of the Company having a face value of such amount as specified in Clause V of the Memorandum of Association.

(k) "**General Meeting**" means either an annual general meeting of Shareholders or an extraordinary general meeting of Shareholders.

(l) "**INR**" or "**Rs.**" means the Indian Rupee, the currency and legal tender of the Republic of India.

(m) "**Investor Education and Protection Fund**" means the fund established by the Central Government under Section 125 of the Act.

(n) "**Law**" includes all Indian statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, determinations, directives, writs, decrees, injunctions, judgments, rulings, awards, clarifications and other delegated legislations and orders of any governmental authority (including but not limited to the Reserve Bank of India Act, 1934, as amended and any applicable rules, regulations and directives of the Reserve Bank of India), statutory authority, tribunal, board, court, stock exchange or other judicial or quasi-judicial adjudicating authority and, if applicable, foreign law, international treaties, protocols and regulations.

(o) "**Manager**" means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of a company, and includes a director or any other person occupying the position of a manager, by whatever name called, whether under a contract of service or not.

(p) "**Managing Director**" means a director who, by virtue of these Articles or an agreement with the Company or a resolution passed in the General Meeting, or by the Board, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

(q) "**Member**" means (a) the subscribers to the Memorandum of Association of the Company who shall be deemed to have agreed to become members of the company, and on its registration, shall be entered as member in its register of members, (b) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company; and (c) every person holding shares in the Company and whose name is entered in Register of Beneficial Owners as Beneficial Owners.

(r) "**Memorandum of Association"** means the memorandum of association of the Company as altered from time to time.

(s) "**Person**" means an individual or an entity, including a corporation, limited liability company, partnership, trust, unincorporated organization, association or other business or investment entity or any Governmental Authority.

(t) "**Preference Share Capital**" means the preference share capital of the Company within the meaning of Section 43 of the Companies Act, 2013.

(u) "**Preference Shares**" means in relation to the Company, its preference Shares within the meaning of Section 43 of the Act, as amended from time to time.

(v) "**Promoter**" means a person (a) who has been named as such in a prospectus or is identified by the Company in the annual return referred to in Section 92 of the Act; or (b) who has control over the affairs of the Company, directly or indirectly whether as a shareholder, director or otherwise; or(c) in accordance with whose advise, directions or instructions the Board is accustomed to act. Provided that nothing in sub-clause (c) shall apply to a person who is acting merely in a professional capacity.

(w) "**Registrar**" or "**RoC**" or "**Registrar of Companies**" means Registrar of Companies, Gujarat at Ahmedabad.

(x) "**Securities**" means the Equity Shares, Preference Shares, debentures, bonds, loans, warrants, options and/ or other similar instruments or securities of the Company which are convertible n into or exercisable or exchangeable for or which carry a right to subscribe to or purchase, Equity Shares or any instrument or certificate representing a legal or beneficial ownership interest in Equity Shares, including global depositary receipts or American depositary receipts.

(y) "**Share Capital**" means the Equity Share Capital and Preference Share Capital of any face value together with all rights, differential rights, obligations, title, interest and claim in such Shares and includes all subsequent issue of such Shares of whatever face value or description, bonus Shares, conversion Shares and Shares issued pursuant to a stock split or the exercise of any warrant, option or other convertible security of the Company.

(z) "**Shareholder(s)**" means any Person who holds the Securities at any given time.

(aa) "**Special Resolution**" shall have the meaning assigned to it in Section 114 of the Act.

(bb) "**Whole-time Director**" includes a director in the whole-time employment of the Company.

Additionally for the purposes of Article XVI (Dematerialisation of Securities) the following words and expressions, when capitalised, shall have the following meanings assigned to them:

(i) "**Beneficial Owner**" shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

(ii) "**Depositories Act 1996**" shall include any statutory modification or re-enactment thereof.

(iii) "**Depository**" shall mean a Depository as defined in clause (e) of sub-section (1) of Section 2 of the Depository Act, 1996.

(iv) "**SEBI**" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

(v) "**Security**" means such security as may be specified by SEBI from time to time.

(vi) "**Register**'" means the Register of Members to be kept in pursuant to the Act and where shares are held in dematerialized form and includes the register of Beneficial Owners maintained by a Depository.

2. The terms "writing" or "written" include printing, typewriting, lithography, photography and any other mode or modes (including electronic mode) of representing or reproducing words in a legible and non-transitory form.

3. The headings hereto shall not affect the construction hereof.

4. Notwithstanding anything contained in these Articles, any reference to a "person" in these Articles shall, unless the context otherwise requires, be construed to include a reference to a body corporate or an association, any individual, company, partnership, joint venture, firm, trust or body of individuals (whether incorporated or not).

5. Any reference to a particular statute or provisions of the statute shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires, include any statutory amendment, modification or re-enactment thereof.

6. Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.

II. PUBLIC COMPANY

7. The Company is a public company within the meaning of the Act.

III. SHARE CAPITAL

8. The authorized Share Capital of the Company shall be the same as provided in clause V of the Memorandum of Association of the Company with the power to increase or reduce the Share Capital with the rights, privileges and conditions, attaching thereto as are provided by the Articles of Association of the Company for the time being, with the power to divide the share in the capital for the time being into such preferential, qualified to special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or statutory modification thereof or provided by the Articles of Association of the Company for the time being. The Company may issue warrants as per terms of an agreement or otherwise upon an application made in this regard in writing addressed to the board and the board is hereby authorized to issue warrant upon such terms as it may deem fit in the interest of the Company.

9. The Company in the General Meeting may, from time to time by an ordinary resolution increase the capital by creation of new Shares, such increase to be divided into Shares of respective amounts as the

resolution shall prescribe. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to Dividends, and in distribution of assets of the Company and with a right of voting at General Meetings of the Company in conformity with Section 47 of the Companies Act 2013. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Companies Act 2013. Subject to the provisions of these Articles, the Act, other applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue any Securities in any manner whatsoever as the board may determine including by way of preferential allotment or private placement subject to and in accordance with Act and rules made thereunder with pricing method prescribed to listed entities under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, if applicable.

10. Except in so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, rights and otherwise in all respect as if it had been the original capital.

11. The Company may issue the following kinds of Shares in accordance with these Articles, the Act and other applicable Laws:

(i) Equity Share Capital:

(a) with voting rights; and / or
(b) with differential rights as to Dividend, voting or otherwise; and

(ii) Preference Share Capital

12. Subject to the provisions of the Act, the Company may, from time to time, by a Special Resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:

(a) the Share Capital;

(b) any capital redemption reserve account; or

(c) any Share premium account.

13. The Company in a general meeting may, from time to time, sub-divide or consolidate the Shares under the powers conferred by Section 61 of the Act and shall file with the Registrar such notice of exercise of any such powers as may be required by the Act. Provided however that the provision relating to progressive numbering shall not apply to the Shares of the Company which have been dematerialized.

14. The paid up capital of the Company shall be at minimum of Rs. 100,000.

IV. JOINT HOLDERS

15. The joint holders of a share shall be severally as well as jointly be liable for the payment of all installments and calls in respect of such Shares with benefits of survivorship subject to the following and other provisions contained in the Articles.

16. Shares may be registered in the name of any person, company or other body corporate but not more than three persons shall be registered jointly as Members in respect of any Shares.

17. The certificate of Shares registered in the names of two or more persons shall be delivered to the person first named in the Register.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. If any share stands in the names of two or more persons, the person first named in the Register shall, as regards receipt of share certificates, Dividends or bonus or service and all or any other matter connected with the company, except voting at meeting and the transferee of the Shares be deemed the sole holder

thereof but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof. 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.

20. In the case of death of any one or more of the persons named in the Register as the joint holder of any share, the survivors shall be the only persons recognised by the company as having any title to or interest in such share. But nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

21. If there be joint registered holders of any shares, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he was solely entitled thereto, provided that if more than one of such joint holders be present at any meeting either personally or by proxy then one of the said persons so present whose name stands higher on the Register shall alone be entitled to vote in respect of such shares.

22. A document or notice may be served or given by the Company on or to the joint holders of a share by serving or giving the document or notice on or to the joint holder named first in the Register in respect of the share.

V. PREFERENCE SHARES

23. (a) Subject to the provisions of Section 55 of the Companies Act 2013, the Company shall have the power to issue Preference Shares which will be redeemed not later than 20 years from the date of the allotment, on such terms & conditions including Dividend, redemption etc. as the Board may deem fit.

(b) On the issue of redeemable preference shares under the provisions of point (a) hereof the following provisions shall take effect:

(i) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;

(ii) no such shares shall be redeemed unless they are fully paid;

(iii) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's security premium account before the shares are redeemed;

(iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for Dividend, be transferred to a reserve fund, to be called the "capital redemption reserve account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Companies Act 2013, apply as if the Capital Redemption Reserve Account were paid-up Share Capital of the Company.

VI. BONUS ISSUE OF SHARES

24. Subject to the provisions of Section 63 of the Act, the Company may issue bonus shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

VII. SHARES UNDER THE CONTROL OF DIRECTORS

25. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of Directors, who may allot, issue or otherwise dispose of the same to such person on such terms and conditions and at such times as the Directors shall think fit, and with full power to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Section 52 and 53 of the Act) at a premium or at par and such option being exercisable for such time and for such consideration as the Directors think fit. The Company may at any time issue any shares which are redeemable in accordance with and subject to the provisions of Section 55 of the Act.

26. The Board may, subject to the provisions of the Act and these Articles allot and issue shares in the capital of the Company as consideration for any property sold and transferred, or for services rendered to the Company in the conduct of the business and, any shares which may be so issued shall be deemed to be partly or fully paid up shares, as the case may be. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

VIII. SHARE CAPITAL AND VARIATION OF RIGHTS

27. 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 applicable provisions of the Act, 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. To every such separate General Meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply.

28. The rights conferred upon the holders of the shares of any class issued with preferred or other right 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.

29. Subject to Law, where at any time, it is proposed to increase its subscribed capital by the issue/allotment of further Shares either out of the unissued capital or increased Share Capital then, such further Shares may be offered to:

(i) Persons who, at the date of offer, are holders of Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (a) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days or such lesser number of days as may be prescribed under the Act and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (b) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to him or any of them in favour of any other Person and the notice referred to in (a) shall contain a statement of this right, provided that the Board may decline, without assigning any reason therefore, to allot any Shares to any Person in whose favor any Member may renounce the Shares offered to him; and (c) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

(ii) employees under a scheme of employees' stock option, subject to a Special Resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable Laws; or

(iii) any Persons, if authorised by a Special Resolution, whether or not those Persons include the Persons referred to in (i) or (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to applicable Law.

(iv) Nothing in sub-clause (c) of (i) shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

The notice referred to in 29 (i) (a) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.

30. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

31. Nothing in Article 29 above, shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures Issued by the company:

(i) To convert such debentures or loans into shares in the company; or

(ii) To subscribe for shares in the company

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term has been approved before the issue of such debentures or the raising of loan by a Special Resolution adopted by the Company in a General Meeting.

Provided further that, notwithstanding anything contained above, where any debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion; provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within 60 (sixty) days from the date of communication of such order, appeal to the National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

32. In determining the terms and conditions of conversion under Article 31, the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

33. Where the Government has, by an order made under Article 31, directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 31 or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized Share Capital of the Company, be altered and the authorized Share Capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into

IX. SHARE CERTIFICATE

34. The Company shall cause to be kept a register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a “foreign register” of Members or debenture holders resident in that country.

35. Except as required by Law, no person shall be recognized by the Company as holding any shares upon any trust and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as 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.

(a) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so time determine, subject to a maximum of twenty rupee) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months after allotment or within one month from the receipt of the application for the registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be.

(b) Every certificate shall be under the seal and shall specify the number and distinctive numbers of shares to which it relates and the amount paid-up thereon and shall be signed by two Directors or by one Director and the Company Secretary, wherever the Company has appointed a Company Secretary and shall be in such form as prescribed under sub-section (3) of Section 46 of the Act.

(c) In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a Share to 1 (one) or several joint holders shall be sufficient delivery to all such holders. Subject to the provisions of the Act, any Member of the Company shall have the right to sub-divide, split or consolidate the total number of Shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation.

36. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, 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 Board deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding INR 50 (Rupees fifty) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares. Notwithstanding the foregoing provisions of this Article, the Board shall comply with applicable Law including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

37. Subject to the provisions of the Act, the provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures of the Company.

38. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents.

X. BUY BACK OF SHARES

39. The Company shall have the power to buy-back its own shares or other Securities, as it considers necessary, subject to the provisions of Section 68, 69 and 70 of the Act and other applicable provisions of the Law.

XI. SWEAT EQUITY SHARES

40. Subject to the provisions of the Act and all other applicable Laws, if any, the company may from time to time issue any Securities including equity shares, preference shares whether convertible into equity or not, debentures, whether convertible into equity or not, sweat equity warrants and or any other Securities.

XII. LIEN

41. (a) The company shall have a first and paramount lien –

(i) on every share/debenture (not being a fully paid share/debenture) registered in the name of each Member or holder, respectively (whether solely or jointly with others), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture; and

(ii) on all shares/debentures (not being fully paid shares/debentures) 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.

Provided that fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares

(b) The Company's lien, if any, on a share shall extend to all Dividends or bonuses payable from time to time declared in respect of such shares/debentures.

(c) The Company's Lien, if any, on a debenture shall extend to the interest payable from time to time in respect of such debentures.

42. 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 the sum in respect of which lien exists is presently payable; or

(b) Until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which lien exists as is presently payable, has been given to the registered holder for the time being of the share other person entitled thereto by reason of his death for insolvency.

43. (a) To give effect to such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereafter.

(b) The purchaser shall be registered as a holder of the shares comprised in any such transfer.

(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceeding in reference to the sale.

44. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

45. (a) 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.

(b) The residue, if any, shall, subject to like lien for sum not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of sale.

46. A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of Lien.

XIII. CALLS ON SHARES

47. (a) 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 option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings.

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.

(b) Each Member shall, subject to receiving at least 14 (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.

(c) A call may be revoked or postponed at the discretion of the Board.

48. 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.

49. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

50. (a) 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.

(b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

51. (a) 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.

(b) 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.

52. The Board—

(a) may, if it thinks fit, subject to the provisions of the Act agree to and, 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 beyond the sums actually called for; and

(b) upon all or any of the monies so paid or satisfied in advance, 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. The Members shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall *mutatis mutandis* apply to any calls on Debentures of the Company.

53. Where any calls for further Share Capital are made on the shares of a class, such calls shall be made on a uniform basis on all shares falling under that class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

XIV. TRANSFER OF SHARES

54. (a) The Securities or other interest of any Member shall be freely transferable, *provided that* any contract or arrangement between 2 (two) or more Persons in respect of transfer of Securities shall be enforceable as a contract.

(b) The instrument of transfer of any share in the Company shall be in writing and all provisions of the Act and statutory modifications thereof shall be duly complied with in respect of all transfer of shares and registrations thereof. The instrument of transfer shall be executed by or on behalf of both the transferor and transferee.

(c) 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.

(d) A common form of transfer shall be used in case of transfer of shares.

55. The Board may, subject to the right of appeal conferred by Section 58 of the Act, 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.

56. The Board may decline to recognize 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 of the Act;

(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.

57. The Board shall not refuse the registration of transfer 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.

58. On giving not less than seven days' previous notice in accordance with Section 91 of the Act 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.

59. Provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than forty-five days in the aggregate in any year.

60. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

61. Subject to the provisions of these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may (at its own absolute discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of Law of the right to, any Securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty (30) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided the Board shall not refuse the registration of a transfer on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except where the Company has a lien on the shares or other Securities, provided however, that the Board may decline to register or acknowledge any transfer, whether fully paid-up or not, if the transfer results in, or is perceived to or may result in, a contravention or violation of any foreign investment limit or restriction under applicable Law as applicable to the Company, and further, that the decision of the Board or any persons designated by the Board with respect

to whether the transfer results in, or is perceived to or may result in, a contravention or violation of any foreign investment limit or restriction under applicable Law as applicable to the Company shall be final and binding in all respects. Transfer of shares/debentures in whatever lot shall not be refused. Only fully paid Shares or Debentures shall be transferred to a minor acting through his/ her legal or natural guardian. Under no circumstances, Shares or Debentures be transferred to any insolvent or a person of unsound mind.

XV. TRANSMISSION OF SHARES

62. (a) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(b) Nothing in clause (a) 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.

63. (a) 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—

(i) to be registered himself as holder of the share; or

(ii) to make such transfer of the share as the deceased or insolvent Member could have made.

(b) 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.

64. (a) 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.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

65. 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.

XVI. DEMATERIALISATION OF SECURITIES

66. (a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debenture and other Securities, rematerialize its shares, debentures and other Securities held in the Depositories and/or offer its fresh shares, debentures and other Securities, in a dematerialized form pursuant to the Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(b) Every person subscribing to Securities offered by the Company shall have the option to receive security certificates or to hold the Securities with a depository. Such a person who is the Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by the

Law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required Certificate of Securities.

(c) The rights and obligations of the Members holding / Beneficial Owners of such dematerialized shares concerned, and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the Beneficial Owner of the security.

(d) All Securities held by a depository shall be dematerialized and be in fungible form.

(e) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.

Save as otherwise provided above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

The Beneficial Owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities, which are held by a depository.

(f) Notwithstanding anything in the Act or these Articles to the contrary, where Securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs or any other mode as prescribed by Law from time to time.

(g) Notwithstanding anything contained in these Articles, every holder of shares in or debentures of the Company may at any time nominate in the manner prescribed under the Act, a person to whom his shares in or debentures of the Company shall vest in the event of his death. Such nomination and right of nominee to be registered as holder of shares/ debentures as the case may be or for transfer of the shares/debentures as the case may be, shall be governed by the applicable provisions of the Act.

(h) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held in the depository mode.

(i) The Company shall cause to be kept a register and index of significant Beneficial Owners in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in dematerialised forms in any medium as may be permitted by Law including in any form of electronic medium. The Company shall be entitled to keep in any country outside India a branch Register of Beneficial Owners residing outside India.

XVII. FORFEITURE OF SHARES

67. (a) 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 thereafter 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.

(b) The notice aforesaid shall –

(i) name a further day (not being earlier than the expiry of 14 (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

(ii) 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.

(c) 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.

(d) (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.

(e) (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.

(f) (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 shares.

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

(g) 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.

XVIII. ALTERATION OF CAPITAL

68. Subject to these Articles and the provisions of the Act, 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.

69. Subject to the provisions of the Act, the Company may from time to time by ordinary resolution undertake any of the following:

(a) consolidate or divide all or any of its Share Capital into shares of larger amount than its existing shares;

Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;

(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 of Association, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived;

(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 and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

70. 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 a 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 “stockholder” respectively.

71. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, — i) it share capital; ii) any capital redemption reserve account; or iii) any share premium account.

XIX. GENERAL MEETINGS AND PROCEEDINGS

72. An annual General Meeting shall be held each calendar year within the timeline prescribed under Applicable Law. Not more than 15 (fifteen) months shall elapse between the date of one annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the registrar under the provisions of Section 96 of the Act to extend the time within which any annual General Meeting may be held. Every annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situated, as the Board may determine.

73. All General Meetings other than the annual General Meetings shall be called extraordinary General Meetings.

74. The Board may, whenever it thinks fit, call an extraordinary General Meeting.

75. The Board shall on the requisition of such number of member or members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

76. (a) A General Meeting of the Company may be called by giving not less than clear 21 (twenty one) days’ notice *provided that* a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode in accordance with Section 101 of the Act.

(b) Notice of every General Meeting shall be given to the Members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

(c) Provisions contained in Section 102 of the Act shall apply to the Company.

(d) The accidental omissions to give any such notice or the non-receipt of any such notice by any of the members to whom it should be given shall not invalidate any resolutions passed or proceedings held at any such meeting.

(e) No business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.

(f) An 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 at least 48 hours before the 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. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Companies Act, 2013.

(g) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer shall have been received at the office before the meeting.

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.

(h) No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right of lien, in pursuance of Section 106 of the Act.

(i) Every question raised in or submitted to a meeting shall be decided in accordance with votes as provided in clause (i) hereinafter and shall be exercised by the Members giving the votes either in person or representing other Member(s) by proxy.

(j) In case of any dispute as to the admission or rejection of a vote, the Chairman shall determine the same and his decision would be final.

(k) No business shall be discussed at any General Meeting except election of a Chairman while the chair is vacant.

(l) Subject to any rights or restrictions for the time being attached in any class or classes of shares,

(i) On a show of hands, every member holding Equity Shares or shares and present in person shall have one vote, and

(ii) On a poll, the voting rights of Members shall be in proportion to their share in the paid-up Equity Share Capital.

(m) A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

(n) 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.

(o) The Chairman may, with the consent of Members at any meeting at which a quorum is present, and shall, if so directed at the meeting, adjourn the meeting, from time to time and from place to place.

(p) No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the meeting from which the adjournment took place.

(q) When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(r) 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.

(s) Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinisers as deemed necessary to scrutinise the votes given on the poll and to report thereon to him/ her in accordance with Section 109 of the Act.

(t) The Chairman shall have the power, at any time before the result of the poll is declared to remove a scrutiniser from office and to fill vacancies in the office of scrutiniser arising from such removal or from any other cause.

(u) Of the two scrutinisers, one shall always be a Member (not being an officer or employee of the Company) present at the meeting, provided such a Member is available and willing to be appointed.

(v) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

(w) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meetings 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.

XX. BOARD OF DIRECTORS

77. The business of the Company shall be managed by the Directors who may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not restricted by the Act or by these Articles.

78. Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and will not exceed 15 (fifteen) at any time. However, the Company may appoint more than 15 (fifteen) directors after passing a Special Resolution. The Company shall have such minimum number of independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable Laws and regulations. Further, the appointment of such independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable Law. At least one Director shall reside in India for a total period of not less than 182 (one hundred and eighty-two) days in each financial year.

79. Subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.

(a) At every annual General Meeting of the Company, one-third of such of the Directors (that does not include independent Directors, whether appointed under the Act or any other Law for the time being in force, on the Board of the Company) for the time being as are liable to retire by rotation pursuant to applicable Law or if their number is not 3 (three) or a multiple of 3 (three), the number nearest to one-third shall retire from office.

(b) Subject to Section 152(6)(d) of the Act, the Directors to retire by rotation at every annual General Meeting shall be those who have been longest in office since their last appointment, but as between Persons who become Directors on the same day, those who are to retire, shall, in default of and subject to any agreement amount themselves, be determined by lot.

(c) A retiring Director shall be eligible for re-election.

(d) Subject to Sections 152(6)(e) and 152(7)(a) of the Act and these Articles, the Company at the General Meeting at which a Director retires in a manner aforesaid may fill up the vacated office by electing a Person thereto.

(e) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

(f) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, then the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
(ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
(iii) he is not qualified or is disqualified for appointment; or
(iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

80. Subject to Section 197 and other applicable provisions of the Act, the remuneration of Directors may be a fixed sum by way of monthly payment or a percentage of the net profits or partly by one way and partly by the other.

81. Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.

82. In addition to the remuneration payable to them in pursuance of the Act, the Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meeting of the Board or any committee thereof or General Meetings of the Company and any other expenses properly incurred by them in connection with the business of the Company. If authorized by the Board, the Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the applicable provisions of the Act.

83. A Director shall not be required to hold any qualification shares in the Company.

84. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint any other person as an additional director provided that the number of the Directors and additional Directors together shall not at any time exceed the maximum number fixed as above and any person so appointed as an additional Director shall retain his office only up to the date of the next annual General Meeting or last date on which the annual General Meeting should have been held, whichever is earlier, but shall then be eligible for re-appointment as Director of the Company.

85. In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an "**Original Director**"), subject to these Articles and the provisions of the Act, the Board may appoint another person (an "**Alternate Director**") for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. No Person shall be appointed as an Alternate Director to an independent Director unless such Person is qualified to be appointed as an independent Director of the Company. Any person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India

86. The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act or the rules framed thereunder. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing addressed to the Board and the Company shall intimate the registrar and also place the fact of such resignation in the report of Directors laid in the immediately following General Meeting. Subject to the Act, such Director may also forward a copy of his resignation along with detailed reasons for the resignation to the registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later. The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.

87. At any annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act.

88. No Person shall be appointed as a Director unless he furnishes to the Company his Director Identification Number under Section 154 of the Act or any other number as may be prescribed under Section 153 of the Act and a declaration that he is not disqualified to become a Director under the Act.

89. No Person appointed as a Director shall act as a Director unless he gives his consent to hold the office as a Director and such consent has been filed with the Registrar within 30 (thirty) days of his appointment in the manner prescribed in the Act.

90. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next General Meeting. Provided any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

91. In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source, while any money remains due to them or any of them, the lender concerned may have and may exercise the right and power to appoint, from time to time, any Person or Persons to be a Director or Directors of the Company and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act. Any Person so appointed may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of such Person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointee and served on the Company. Such Director need not hold any qualification shares.

XXI. PROCEEDINGS OF BOARD

92. The Board may meet for the conduct of business and may adjourn and otherwise regulate its meetings, as it thinks fit.

93. A Director may and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

94. A minimum number of 4 (four) Board meetings shall be held every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board, in accordance with the provisions of the Act.

95. Subject to the provisions of the Act and the rules framed thereunder, all or any of the Directors or members of any committee of the Board may participate in a meeting of the Directors or such committee through video conferencing or other audio visual means.

96. No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.

97. If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

98. 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.

99. Subject to the provisions of the Act and the rules framed thereunder allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director. Each notice of a Board meeting shall:

(a) specify a reasonably detailed agenda. Unless waived in writing by all Directors, any item not included in the agenda of a meeting shall not be considered or voted upon at that meeting of the Board;

(b) be accompanied by any relevant supporting papers; and

(c) be sent by: (i) by e-mail or facsimile transmission or courier if sent to an address in India; (ii) by e-mail or facsimile transmission if sent to an address outside India; or by hand delivery.

100. Save as otherwise expressly provided in the Act or these Articles, questions arising at any meeting of the Board shall be decided by a majority of votes.

101. The Directors may from time to time elect a Chairperson who shall preside at the meetings of the Directors and determine the period for which he is to hold office. The same individual may be appointed as the chairperson of the Company as well as the Managing Director and/or the chief executive officer of the Company. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be the chairperson of the meeting.

102. Subject to these Articles and Sections 175, 179 and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of a committee, shall constitute a valid decision of the Board or committee thereof, as the case may be, as if it had been passed at a meeting of the Board or committee, duly convened and held, provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

103. The Board shall constitute the statutory committees in accordance with applicable Law. Subject to provisions of the Act, the Board may delegate any of its powers to committees consisting of such Director or Directors as it thinks fit.

104. 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.

105. Subject to applicable Law and these Articles, a committee may elect a chairperson of its meetings.

106. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of themselves to be the chairperson of the meeting.

107. A committee may meet and adjourn as it thinks fit.

108. Questions arising at any meeting of a committee shall be determined by a majority of votes of the Directors present. In case of an equality of votes, the chairperson of the committee, if any, shall have second or casting vote.

109. Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company,

companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

110. Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established provided that every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not count for the purposes of forming a quorum at the time of such discussion or vote.

111. 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.

112. 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.

113. Minutes of each meeting of the Board shall be circulated to all Directors.

XXII. POWERS OF DIRECTORS

114. The business of the Company shall be vested in the Board of Directors and the Board shall be responsible for the overall direction and management of the Company. Subject to the provisions of the Act, the Board shall have the right to delegate any of their powers to such committee of Directors, Managing Director, managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.

115. Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

116. The Board of Directors shall, or shall authorize persons in their behalf, to make necessary filings with Governmental Authorities in accordance with the Act and other applicable Law, as may be required from time to time.

117. The Directors shall have the power to open and close bank accounts and operate the same generally, to sign cheques on behalf of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

118. Subject to the provisions of Section 188 of the Act, a Director may enter into contract made with the Company and shall not be liable to account for any profit made by him by reason of such contract provided that the precise nature and the interest of the Director in such contract be declared to the Board of Directors before or at the time the same is entered into. The Director shall vote in respect of any contract to arrangement in which he shall be interested. A Director may also hold any office of profit under the Company subject to the compliance of the Act.

119. The Director may in their discretion but subject to the provisions of the Act pay for any property rights or privileges acquired by or for services rendered to the Company, either wholly or partially in cash or

in shares, bonds, debentures, mortgages or other Securities of the Company and such shares may be issued either as wholly paid-up or with such amount credited as paid-up thereon as may be agreed upon.

120. The Directors may appoint any person to accept and hold in trust for the Company any property belonging to the Company or in which the Company is interested or for any other purposes and to execute and do all such acts, deeds and things as may be required in relation to any such trust, and to provide for remuneration to such Trustee.

121. The Directors may distribute by way of bonus amongst the members of staff or employees of the Company share in the profits of the Company or give any of its employees commission on the profits arising out of any particular business or transaction.

122. The Directors may from time to time appoint any person or persons to be the Attorney or Attorneys of the Company, under the Seal of the Company, for such purposes and with such powers and authorities (limited to those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may think fit and revoke any such appointment.

XXIII. MANAGING/WHOLE-TIME DIRECTORS AND KEY MANAGERIAL PERSONNEL

123. Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be the Managing Director/ Whole-time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for a fixed term or without any limitation as to the period for which he is to hold such office and from time to time and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his/her place. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon the Managing Director / Whole-time Director, for the time being, such of the powers exercisable hereunder by the Board, as it may think fit, and may confer such powers, for such time and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

124. Subject to the provisions of any contract between him and the Company, the Managing Director/ Whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and shall *ipso facto* and immediately cease to be the Managing Director if he ceases to hold the office of Director for any cause.

125. Subject to the provisions of the Act, the Managing Director/ Whole-time Director shall, in addition to the remuneration payable to him as a Director of the Company, receive such remuneration as may be sanctioned by the Board from time to time and such remuneration may be fixed by way of salary or bonus or commission or participation in profit, or perquisites and benefits or by some or all of these modes.

126. Subject to the provisions of the Act, a chief executive officer, manager, Company Secretary or chief financial officer or any other key managerial personnel not more than one level below the Board and in the whole time employment of the Company and designated as a key managerial personnel 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, chief financial officer or any other key managerial personnel so appointed may be removed by means of a resolution of the Board.

127. A Managing Director may be appointed as chief executive officer, manager, or chief financial officer.

128. Any provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and Managing Director, 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, Managing Director, chief executive officer, Manager, Company Secretary or chief financial officer.

XXIV. BORROWING POWERS

129. (a) The Board of Directors or its Committee, if any, may borrow from time to time, at their discretion, from any person (including the Directors) any sum or sums of money for the purposes of the Company.

(b) The Board of Directors or its Committee, if any, may, raise or secure the repayment of such monies in such manners and upon such terms and conditions in all respects as they think fit, and in particular by the creation of mortgages, charges, or by issue of debenture stock or the issue of debentures (whether redeemable, perpetual or convertible), bonds or other Securities of the Company secured or charged upon all or any part of the undertaking, property and rights of the Company (both present and future) including its uncalled capital or by giving, accepting or endorsing, on behalf of the Company any promissory notes or bills of exchange.

(c) Any debentures, debenture stock, bonds, Securities or other instruments issued by the Company for securing the payment of money may be so framed that the monies thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture stock, bonds, or other instruments or Securities may be issued at a premium or otherwise and with any special privileges as to redemption, appointment of Directors, surrender, drawings, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a Special Resolution and subject to the provisions of the Act.

(d) If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors may by instrument under the seal authorize the person in whose favor such mortgage or security is executed or any other person in trusts for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' power or otherwise and shall be assignable if expressed so to be.

XXV. APPOINTMENT OF NOMINEE DIRECTOR

130. Banks/ financial institutions/ lenders, in the ordinary course of business, investors subject to terms of lending or investment document read according to the provisions of the Act may be given the right to appoint and withdraw their nominee director(s) on the Board of Directors of the Company. The banks/ financial institutions/ lenders/ investors for this purpose shall nominate and /or withdraw their nominee director by way of written communication addressed to the Company.

XXVI. DIRECTOR'S POWER TO FILL CASUAL VACANCIES

131. Subject to the provisions of Section 152 and 161 of the Act, the Board shall have power at any time to appoint any other person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

XXVII. THE SEAL

132. If the seal of the Company is specifically required to be affixed on any instrument by applicable law, such seal of the Company shall be affixed to such instrument only 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 one director or of the secretary or such other person as the Board may appoint for the purpose; and those one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

XXVIII. DIVIDENDS AND RESERVES

133. (a) The Company in a General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board.

(b) The Board may from time to time pay to the Members such interim Dividends as may appear to it to be justified basis the profits of the Company.

(c) No Dividend shall be paid otherwise than out of profits of the Company or any other undistributed profits.

(d) The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments as the Board may lawfully determine. The Board may also, without placing the same to reserve, carry forward any profits which they may think it prudent not to divide.

(e) Subject to the rights of persons, if any, entitled to shares with special rights as to Dividend, 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 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. 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. Further, any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to Dividend or to participate in profits.

(f) The Board may deduct from any Dividend payable to any member all sums of money (if any) immediately payable by it to the Company on account of calls or otherwise in relation to the shares of the Company.

(g) Any General Meeting declaring a Dividend or bonus may direct payment of such Dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other Company or in any one or more of such ways, and the directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed, in order to adjust the rights of all the parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

(h) Any Dividend, interest or other monies payable in cash in respect of any shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder, or, where there are joint holders, to the registered address of that one of the joint holders who is first named on the register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any Dividends, bonuses or other monies payable in respect of the shares held by them as joint holders.

(i) 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.

(j) No Dividend shall bear interest against the Company.

(k) A Member can waive/ forgo the right to receive the Dividend to which he is entitled, on some or all the Equity Shares held by him in the Company. However, a Member cannot waive/ forgo the right to receive the Dividend for a part of percentage of Dividend on share(s).

(l) No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by Law and the Company shall comply with the provisions of Section 123 and 124 of the Act in respect of unclaimed Dividend. Pursuant to section 124, where the Company has declared a Dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days transfer the total amount of Dividend which remains unpaid or unclaimed to an account to be opened by the Company in that behalf in any scheduled bank, to be called the “Unpaid Dividend Account” of the Company.

(m) Any money transferred to the unpaid Dividend account of the Company in pursuance of sub-clause (a) hereof which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund of the Central Government but a claim to any money not transferred to the Investor Education and Protection Fund may be referred to the Central Government by the person to whom the money is due and shall be dealt with as if such transfer to the Investors Education and Protection Fund had not been made, the order, if any, for payment of the claim being treated as an order for refund of revenue.

XXIX. ACCOUNTS

134. (a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.

(b) No member (not being a director) shall have any right of inspecting any accounts or books or document of the Company except as conferred by Law or authorised by the Board or by, the Company in a General Meeting.

XXX. CAPITALISATION OF PROFITS

135. The Company in a General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in Article 184 amongst the Members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.

136. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in these Articles below, 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; or

(c) Partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b) above.

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, 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 Article.

137. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and

(b) generally, do all acts and things required to give effect thereto.

138. The Board shall have power to:

(a) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and

(b) authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

139. Any agreement made under such authority shall be effective and binding on such Members.

XXXI. WINDING UP

140. The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

XXXII. INDEMNITY

141. Subject to the provisions of the Act, every Chairperson/ Director, secretary and the other officers for the time being of the Company acting in relation to any of the affairs of the Company shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own wilful neglect or default respectively.

142. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

XXXIII. SECRECY

143. (a) No Member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or any other person authorised on that behalf by the Director to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade secret process or of any other matter which may relate to the conduct of the business of the Company which in the opinion of Directors, would be inexpedient in the interest of the Company to disclose.

(b) Every Director, Manager, auditor, treasurer, trustee, member of committee, officer, servant agent, accountant or other persons employed in the business of the Company shall if so required by the Directors, before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company, with the customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by Law or by the person to whom such matters relate, except so far as may be necessary in order to comply with any provisions of these presents contained.

(c) Post listing of the Equity Shares, at the request of any Shareholder, the Company shall provide to such Shareholder: (i) annual reports; (ii) annual, semi-annual, quarterly and other periodic financial statements and reports; (iii) any other interim or extraordinary reports; and (iv) prospectuses, registration statements, offering circulars, offering memoranda and other document relating to any offering of securities by the Company, provided, in each case, that (a) the Company has, prior to providing any Shareholder with such information, made such information available to the public; and (b) the Company is not prohibited under any applicable Law from providing such information to such Shareholder.

XXXIV. GENERAL AUTHORITY

144. Wherever in the Act it has been provided that any Company shall have any right, privilege or authority or that any Company cannot carry out any transaction unless it is so authorised by its Articles, then and

in that case this Article hereby authorizes and empowers this Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any other specific Article in that behalf herein provided.

XXXV. ALTERATION IN ARTICLES OF ASSOCIATION

145. The Company may from time to time alter, add to amend or delete any of existing clauses of the Articles of Association of the Company or may add a new clause thereto or adopt a new set of articles in accordance with the provision of the Act.

XXXVI. ARBITRATION

146. Whenever any differences or disputes arise between the Company on the one hand and any of the members or their heirs, executors, administrators or assigns interest touching the true intent or construction or touching anything then or thereafter done, executed, committed or suffered in pursuance of these presents or of the statues or touching any breach, or otherwise relating to the premises or to any affairs of the Company every such difference or dispute shall be referred to the decision of any arbitrator to be appointed by the parties to the dispute or in difference, or if they cannot agree upon a single arbitrator to the decision of two arbitrators, of whom one shall be appointed by each of the parties to the dispute. Such arbitration will be governed by the Laws for the time being in force.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be filed with the RoC. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, (i) may be inspected at the Registered Office between 10 a.m. and 5 p.m. on Working Days; and (ii) on the website of our Company at https://www.domsindia.com/material-contracts/ from the date of this Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant laws.

Material contracts to the Offer

1. Offer Agreement dated August 22, 2023 entered into among our Company, the Selling Shareholders and the BRLMs, and an amendment to the Offer Agreement dated November 25, 2023, among the afore-mentioned parties;

2. Registrar Agreement dated August 17, 2023, entered into among our Company, the Selling Shareholders and the Registrar to the Offer;

3. Cash Escrow and Sponsor Bank Agreement dated December 2, 2023, entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, and the Bankers to the Offer;

4. Share Escrow Agreement dated December 1, 2023, entered into among the Selling Shareholders, our Company and the Share Escrow Agent;

5. Syndicate Agreement dated December 2, 2023, entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Syndicate Members;

6. Monitoring Agency Agreement dated December 2, 2023, entered into between our Company and the Monitoring Agency; and

7. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders, the Registrar to the Offer and the Underwriters.

Material documents

1. Certified copies of the MoA and AoA, as amended from time to time;

2. Certificate of incorporation dated October 24, 2006 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli;

3. Fresh certificate of incorporation consequent upon change of name issued by the RoC on April 21, 2017;

4. Fresh certificate of incorporation consequent upon change of name was issued by the RoC on August 3, 2023, pursuant to conversion into public limited company;

5. Resolutions of the Board of Directors dated July 3, 2023, July 6, 2023, July 10, 2023, July 14, 2023, and July 20, 2023, August 17, 2023, approving the Offer and other related matters;

6. Resolution of the Shareholders of our Company dated July 24, 2023, approving the Fresh Issue and other related matters;

7. Resolution of our Board dated August 17, 2023 taking on record the approval for the Offer for Sale by the Selling Shareholders;

8. Resolutions of the Board of Directors of our Company dated August 17, 2023 and August 22, 2023, approving the Draft Red Herring Prospectus;

9. Resolution of the Board of Directors of our Company dated December 2, 2023 approving this Red Herring Prospectus;

10. Shareholders' Agreement dated December 16, 2011 executed by and among our Company, Fabbrica Italiana Lapis ed Affini S.p.A., Santosh Rasiklal Raveshia, Sejal Santosh Raveshia, Chandni Vijay Somaiya, Sheetal Hiren Parpani, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani and Shilpa Ketan Rajani;

11. Amended and Restated Shareholders' Agreement dated October 26, 2015 executed by and among our Company, Fabbrica Italiana Lapis ed Affini S.p.A., Santosh Rasiklal Raveshia, Sejal Santosh Raveshia, Chandni Vijay Somaiya, Sheetal Hiren Parpani, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani and Shilpa Ketan Rajani;

12. Waiver cum Amendment agreement dated August 17, 2023 to the SHA entered into by and among our Company, Fabbrica Italiana Lapis ed Affini S.p.A., Santosh Rasiklal Raveshia, Sejal Santosh Raveshia, Chandni Vijay Somaiya, Sheetal Hiren Parpani, Sanjay Mansukhlal Rajani, Ketan Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani and Shilpa Ketan Rajani;

13. Shareholders' Agreement dated August 1, 2015 executed by and among our Company, Pioneer Stationery Private Limited, and Rajendra Gala, Kanti Gala, Pooja Gala, Bhavna Gala;

14. Share purchase agreement dated August 1, 2015 among our Company, Pioneer Stationery Private Limited, Rajendra Bhavanji Gala, Kanti Bhavanji Gala, Pooja Rajendra Gala and Bhavna Rajendra Gala;

15. Service Agreement dated August 1, 2016 executed by and among our Company and FILA;

16. Brand authorisation letters dated (i) March 11, 2021 issued by Fila-Arches, (ii) March 11, 2021 issued by Canson, (iii) March 11, 2021 issued by Dixon Ticonderoga Company, (iv) October 1, 2020 issued by FILA, (v) October 1, 2020 issued by Daler Rowney Limited, (vi) October 1, 2020 issued by Johann Froescheis Lyra-Bleistift Fabrik GmbH & Co. KG, (vii) October 1, 2020 issued by Industria Maimeri S.P.A., (viii) March 11, 2021 issued by Princeton Artist Brush Company, and (ix) March 3, 2021 issued by St. Cuthbert's Mill Ltd;

17. Family Governance Agreement dated August 17, 2023 by and among Santosh Rasiklal Raveshia, Chandni Vijay Somaiya, Sejal Santosh Raveshia, Sheetal Hiren Parpani and Sanjay Mansukhlal Rajani, Pravina Mansukhlal Rajani, Ila Sanjay Rajani, Ketan Mansukhlal Rajani and Shilpa Ketan Rajani;

18. Consent letters from each of the Selling Shareholders consenting to participate in the Offer for Sale;

19. Resolution of the Board of Directors of our Company dated December 12, 2022 approving the terms of appointment of Santosh Rasiklal Raveshia and Sanjay Mansukhlal Rajani, our Executive Directors;

20. Resolution of the Board of Directors of our Company dated July 6, 2023 approving the terms of appointment of Ketan Mansukhlal Rajani and Chandni Vijay Somaiya, our Executive Directors;

21. Written consent dated December 2, 2023 from our Statutory Auditor, namely, B S R & Co. LLP, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated November 24, 2023 on the Restated Consolidated Financial Information; and (ii) report dated December 2, 2023 on the statement of special tax benefits under the applicable tax laws in India, included in this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the US Securities Act;

22. Examination report dated November 24, 2023 of the Statutory Auditors on the Restated Consolidated Financial Information;

23. Report dated December 2, 2023 on the statement of special tax benefits under the applicable tax laws in India, from the Statutory Auditors included in this Red Herring Prospectus;

24. Certificate on Basis of Offer Price issued by M.I. Shah & Co., Chartered Accountants dated December 2, 2023;

25. Certificate on Key Performance Indicators in respect of the Basis for Offer Price issued by M.I. Shah & Co., Chartered Accountants dated December 2, 2023;

26. Certificates issued by our Statutory Auditors in relation to the Offer;

27. Resolution of the Audit Committee dated November 24, 2023 approving our key performance indicators;

28. Written consent dated August 22, 2023 from the independent chartered accountant, namely M.I. Shah & Co. to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in relation to certifications and confirmations provided by them on certain financial information included in this Red Herring Prospectus;

29. Our Company has received written consent dated August 22, 2023, from Prabhakar Prabhu P.K., Chartered Engineer, as a chartered engineer to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in his capacity as an Independent Chartered Engineer, in relation to the certificate dated August 22, 2023, certifying, *inter alia*, the details of the installed and production capacity and capacity utilisation of our Manufacturing Facilities. Such consent has not been withdrawn as on the date of this Red Herring Prospectus;

30. Our Company has received written consent dated August 22, 2023, from Oriens Advisors LLP, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 in respect of the Project Report. Such consent has not been withdrawn as on the date of this Red Herring Prospectus;

31. Copies of annual reports of our Company for the Fiscals 2021, 2022 and 2023;

32. Consents of bankers to our Company, the BRLMs, Registrar to the Offer, Bankers to the Offer, legal counsels appointed for the Offer, Syndicate Members, Directors, Monitoring Agency, and Company Secretary and Compliance Officer to act in their respective capacities;

33. Industry report titled "*Industry Report on the Stationery and Art Material Market in India*" dated November 23, 2023 prepared by Technopak Advisors Private Limited and commissioned and paid for by our Company, available on our Company's website at https://www.domsindia.com/industry-report/;

34. Consent letter dated November 23, 2023, issued by Technopak Advisors Private Limited with respect to the report titled "*Industry Report on the Stationery and Art Material Market in India*";

35. Tripartite agreement dated August 14, 2015 among our Company, Registrar to the Offer and NSDL;

36. Tripartite agreement dated May 16, 2023 among our Company, CDSL and the Registrar to the Offer;

37. Due diligence certificate dated August 22, 2023 addressed to SEBI from the BRLMs;

38. In-principle listing approvals each dated October 11, 2023 issued by BSE and NSE, respectively; and

39. SEBI observation letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/37293/1 dated September 8, 2023 and SEBI final observation letter bearing reference number SEBI/HO/CFD/RAC-DIL 1/P/OW/2023/45932/1 dated November 16, 2023.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Gianmatteo Terruzzi
Chairman and Independent Director

Date: December 2, 2023
Place: Mendrisio, Switzerland

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Santosh Rasiklal Raveshia
Managing Director

Date: December 2, 2023
Place: Umbergaon, Gujarat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sanjay Mansukhlal Rajani
Whole Time Director

Date: December 2, 2023
Place: Umbergaon, Gujarat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ketan Mansukhlal Rajani
Whole Time Director

Date: December 2, 2023
Place: Umbergaon, Gujarat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Chandni Vijay Somaiya
Whole Time Director

Date: December 2, 2023
Place: Umbergaon, Gujarat

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Massimo Candela
Non-Executive Director

Date: December 2, 2023
Place: Milan, Italy

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Luca Pelosin
Non-Executive Director

Date: December 2, 2023
Place: Milan, Italy

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Annalisa Matilde Elena Barbera
Non-Executive Director

Date: December 2, 2023
Place: Milan, Italy

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Cristian Nicolleti
Non-Executive Director

Date: December 2, 2023
Place: Milan, Italy

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rajiv Ishwarbhai Mistry
Independent Director

Date: December 2, 2023
Place: Mumbai, Maharashtra

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mehul Shah
Independent Director

Date: December 2, 2023
Place: Mumbai, Maharashtra

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Darshika Thacker
Independent Director

Date: December 2, 2023
Place: Mumbai, Maharashtra

DECLARATION

I hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the rules, guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules, guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements and disclosures in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Rahul Shah
Chief Financial Officer

Date: December 2, 2023
Place: Mumbai, Maharashtra

DECLARATION

We, F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A, a Selling Shareholder, hereby confirm that all statements, disclosures and undertakings made or confirmed by us in this Red Herring Prospectus about or in relation to us as a Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

SIGNED BY OR ON BEHALF OF F.I.L.A. - FABBRICA ITALIANA LAPIS ed AFFINI S.P.A

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Authorised Signatory

Name: Massimo Candela
Designation: Chief Executive Officer
Place: Milan, Italy
Date: December 2, 2023

DECLARATION

I, Sanjay Mansukhlal Rajani, a Selling Shareholder, hereby confirm that all statements, disclosures, and undertakings made or confirmed by me in this Red Herring Prospectus in relation to myself, as a Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I, as a Selling Shareholder, assume no responsibility for any other statements, disclosures and undertakings including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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Name: Sanjay Mansukhlal Rajani

Date: December 2, 2023
Place: Umbergaon, Gujarat

DECLARATION

I, Ketan Mansukhlal Rajani, a Selling Shareholder, hereby confirm that all statements, disclosures, and undertakings made or confirmed by me in this Red Herring Prospectus in relation to myself, as a Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I, as a Selling Shareholder, assume no responsibility for any other statements, disclosures and undertakings including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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Name: Ketan Mansukhlal Rajani

Date: December 2, 2023
Place: Umbergaon, Gujarat